

# STEL Holdings Limited

(CIN: L65993KL1990PLC005811)

Regd. Office: 24/1624 Bristow Road, Willingdon Island, Cochin 682 023

Tel No.0484 26680230, 6624335 Fax: 0484 2668024

Email: [secretarial@stelholdings.com](mailto:secretarial@stelholdings.com), Website: [www.stelholdings.com](http://www.stelholdings.com)

September 04, 2021

The Secretary BSE Ltd. Corporate Relationship Dept. 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort Mumbai - 400 001, Maharashtra <b>Scrip code : 533316</b>	The Secretary National Stock Exchange of India Ltd. "Exchange Plaza", Bandra - Kurla Complex Bandra (E) Mumbai - 400 051 Maharashtra <b>Symbol : STEL</b>
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**Sub: Intimation for Annual General Meeting, Electronic copy of the Notice of the 31<sup>st</sup> Annual General Meeting and Annual Report of the Company for the financial year 2020 - 2021**

**Ref: Disclosure under Regulation 30(2) and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

Dear Sir(s),

This is to inform you that the Thirty First Annual General Meeting ("AGM") of the Members STEL Holdings Limited ("the Company") will be held on **Tuesday, September 28, 2021 at 12:00 Noon (IST)** through Video Conferencing (VC)/Other Audio - Visual Means (OAVM) without the physical presence of the members at a common venue, in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard, inter alia, to transact the businesses stated in the Notice convening the said AGM.

Pursuant to Regulation 34(1) and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2020-21 together with the Notice of AGM, which are being sent through electronic mode to the Members of the Company, whose e-mail addresses are registered with the Company/Company's Registrar and Share Transfer Agent, Linkintime India Pvt Ltd/Depository Participant(s).

The Notice of the AGM of the Company *inter alia* provides the process and manner of remote e-voting/e-voting at the AGM and instructions for participation at the AGM through VC/OAVM.




The Annual Report and Notice of the AGM are also available on the website of the Company at [www.stelholdings.com](http://www.stelholdings.com).

Kindly take this on record and disseminate appropriately.

Thanking you,

Yours faithfully,

For **STEL Holdings Limited**

  
**Lakshmi P.S**  
**Company Secretary and Compliance Officer**

Encl : As above



# **STEL Holdings Limited**

ANNUAL REPORT 2020-2021

**Board of Directors**

Shri. Umang Kanoria  
Shri. Sunil Bhandari  
Shri. Kaushik Roy  
Shri. Mahesh Narayanaswamy  
Shri. H. C. Dalal  
Shri. Prem Kapil  
Smt. Suhana Murshed  
Shri. Abraham Ittyipe

**Statutory Auditors**

J Krishnan & Associates,  
Chartered Accountants  
I S Press Building,  
Banerji Road,  
Cochin - 682018

**Company Secretary**

Smt. Lakshmi P. S

**Secretarial Auditors**

SEP & Associates  
Company Secretaries,  
Building No. C.C 56/172  
K.C. Abraham Master Road,  
Panampilly Nagar, Kochi-682036

**Chief Financial Officer**

Shri. Sivaram Neelakantan Krishnan

**Internal Auditors**

CaesarPintoJohn & Associates LLP  
Puthussery House, Edanad, Chowara P.O ,  
Aluva , Cochin-683571

**Bankers**

HDFC Bank  
Kotak Mahindra Bank

**Registered Office**

24/1624, Bristow Road,  
Willingdon Island,  
Cochin - 682003  
Ph: 0484 2668023, 6624335  
Email: secretarial@stelholdings.com

**Registrar and Share Transfer Agent**

Link Intime India Private Limited  
Surya, 35, Mayflower Avenue  
Behind Senthil Nagar, Sowripalayam Road  
Coimbatore - 641 028, Tamil Nadu  
Ph: 0422-2314792, 2315792  
Email: coimbatore@linkintime.co.in

## NOTICE

**Notice** is hereby given that the 31st Annual General Meeting (AGM) of the members of STEL Holdings Limited ("the Company") will be held on **Tuesday, September 28, 2021 at 12:00 Noon ( IST)** through Video Conferencing ("VC"/ Other Audio Visual Means ("OAVM") without the physical presence of the members at a common venue to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements including the Audited Consolidated Financial Statements for the financial year ended March 31, 2021 together with the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Sunil Bhandari (DIN: 00052161) who retires by rotation, and being eligible, offers himself for reappointment.

### **SPECIAL BUSINESS**

3. **Appointment of Mrs. Suhana Murshed (DIN : 08572394) as an Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and with Article 11 of the Articles of Association of the Company, Mrs. Suhana Murshed (DIN: 08572394), who was appointed by the Board of Directors of the Company as an Additional Director of the Company with effect from 29th April, 2021 and who holds office only up to the date of this Annual General Meeting and who is eligible for re-appointment and in respect of whom a notice has been received from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Non- Executive Independent Women Director of the Company for the first term, not liable to retire by rotation, for a period of five years with effect from April 29, 2021 to April 28, 2026.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

4. **Appointment of Mr. Mahesh Narayanaswamy (DIN : 01449684) as a Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Mahesh Narayanaswamy (DIN: 01449684 ), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 08, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("the Act") and Article 11 of the Articles of Association of the Company but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company and he shall be liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **To consider the following Ordinary Resolution in respect of a shareholder's notice dated August 23, 2021 under Section 160 of the Companies Act, 2013.**

**"RESOLVED THAT** Mr. Krishnam Parasramka (DIN: 07632711) be and is hereby appointed as a Director of the Company."

By Order of the Board of Directors  
For **STEL Holdings Limited**

**Lakshmi P. S**  
Company Secretary  
(Membership No. A43545)

Place : Kochi  
Date : August 30, 2021

### **STEL Holdings Limited**

CIN: L65993KL1990PLC005811  
24/1624, Bristow Road, Willingdon Island,  
Cochin-682003

### Notes:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, (“the Act”) setting out material facts relating to the Special Business to be transacted at the Annual General Meeting (‘AGM’) is annexed hereto.
2. **The Board has decided not to recommend/support the Ordinary Resolution under Item No. 5 of the AGM Notice relating to a Notice received in terms of Section 160 of the Act.**
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and all other relevant circulars issued from time to time and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 as amended by Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (“SEBI Circulars”) issued by the Securities and Exchange Board of India (‘SEBI’), by virtue of which relaxations have been given to the companies, whose AGMs were due to be held in the year 2020 or would become due in the year 2021, to conduct their AGMs on or before 31st December, 2021, through VC/OAVM, the 31st AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of Members at a common venue. The deemed venue for the 31st AGM shall be the Registered Office of the Company situated at 24/1624, Bristow Road, Willingdon Island, Cochin-682003. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and also available at the Company’s website i.e., [www.stelholdings.com](http://www.stelholdings.com).
4. As this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Attendance of Members through VC/OAVM shall be counted for quorum under Section 103 of the Act.
6. In terms of Section 152 of the Act, Mr. Sunil Bhandari is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
7. The Company at its AGM held on August 03, 2017 appointed M/s. J Krishnan & Associates, Chartered Accountants, (Registration No.: 001523S) as the Statutory Auditors from the conclusion of the 27th AGM to the conclusion of the 32nd AGM to be held in the year 2022 subject to ratification of their appointment every year, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the Thirty First AGM.
8. Details of the Director seeking appointment/re-appointment of Directorship at this AGM is appended to this Notice.
9. Pursuant to Regulation 40 of the SEBI Listing Regulations, with effect from April 01, 2019, transfer of securities of the Company would be carried out in dematerialized form only, except in case of transmission or transposition of securities. Members are requested to note that trading of Company’s shares through Stock Exchanges is permitted only in electronic/demat form. Those Members who have not yet converted their holdings into the electronic form may please consider opening an account with an authorised Depository Participant and arrange for dematerialisation.
10. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2021 to September 28, 2021 (both days inclusive).
11. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [secretarial@stelholdings.com](mailto:secretarial@stelholdings.com).
12. The Board of Directors had appointed Mr. M. D. Selvaraj, Practicing Company Secretary (CP. 411), Partner, MDS & Associates, Company Secretaries, Coimbatore, as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
13. The Results will be declared within 48 hours from the conclusion of AGM. The results declared along with the Scrutinizer’s Report shall be uploaded on the website of the Company i.e. [www.stelholdings.com](http://www.stelholdings.com) and on

the website of CDSL e-voting i.e. [www.evotingindia.com](http://www.evotingindia.com) and the same shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

14. Since the Company has not declared any dividend in the past, the question of transfer of the dividend amount which remains unclaimed for a period beyond 7 years along with the corresponding equity shares to the Investor Education and Protection Fund / demat account of the IEPF Authority pursuant to Section 124 of the Companies Act, 2013 does not arise.
15. Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be made available for electronic inspection by the members during the AGM. Members seeking to inspect such documents can send an e-mail to [secretarial@stelholdings.com](mailto:secretarial@stelholdings.com).
16. a) Members are requested to notify immediately any change of address:
  - a. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
  - b. to the company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar /Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/ Passport etc.
  - b) In case the registered mailing address is without the Postal Identification Number Code ("PIN CODE"), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.
17. Non-Resident Indian ("NRI") Members are requested to inform the company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
  - a. the change in the residential status on return to India for permanent settlement; (or)
  - b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
18. As per the provisions of Section 72 of the Act, the facility for making nominations is now available to individuals holding shares in the company. Members holding shares in physical form may obtain the Nomination Form from the RTA of the company or can download the form from the company's website ([www.stelholdings.com](http://www.stelholdings.com)). Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or RTA.
20. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the company to serve documents in electronic mode.
21. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote at the AGM.
22. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCEDURE FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT AND FUTURE CORRESPONDENCE:**

Pursuant to the MCA Circulars and SEBI Circulars, in view of the prevailing pandemic situation, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 31st AGM and the Annual Report of the Company for the financial year ended 31st March, 2021 including therein the Audited Financial Statements for the year 2020-21, is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report FY 2020-21 will also be available on the Company's website [www.stelholdings.com](http://www.stelholdings.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also available on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com). Therefore, Members whose email addresses are not registered with the Company or with their Registrar and Share Transfer Agent (RTA) or with their respective Depository Participant/s (DPs), and who wish to receive

all communications from time to time, can get their email addresses registered by following the steps as mentioned herein below:-

**23. REGISTRATION OF EMAIL ID:****i) FOR SHAREHOLDERS HOLDING PHYSICAL SHARES:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

The Members of the Company holding Equity Shares of the Company in physical form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E-mail / Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a Member may send an e-mail to RTA at [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in)

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

**ii) FOR DEMAT SHAREHOLDERS:**

The shareholder may please contact the Depository Participant ("DP") and Please update your email id & mobile no. with your respective Depository Participant (DP) as per the process followed and advised by the DP which is mandatory while e-Voting & joining virtual meetings through Depository.

**iii) FOR INDIVIDUAL DEMAT SHAREHOLDERS – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository****24. PARTICIPATION AT THE AGM AND VOTING**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporates can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.stelholdings.com](http://www.stelholdings.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange



of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

## VOTING THROUGH ELECTRONIC MEANS :

- (i) The remote e-voting period begins on **Saturday, September 25, 2021 (9.00 a.m IST) and ends on Monday, September 27, 2021 (5.00 p.m IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Tuesday, September 21, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. All the business as set out in the notice of the 31st AGM may be transacted through e-voting.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The voting rights of Members shall be in proportion to their shares in the Paid-Up Equity Share Capital of the Company as on the cut-off date.
- (iv) The Board of Directors had appointed Mr. M. D. Selvaraj, Practicing Company Secretary (CP. 411), Partner, MDS & Associates, Company Secretaries, Coimbatore, as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- (v) A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the depositories as on Tuesday, September 21, 2021, being the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date, but have received this Notice, should treat receipt of this Notice for information purpose only.
- (vi) Any person, who acquires shares of the company and becomes Member of the company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. Tuesday 21st September, 2021, may refer to the Notice of the 31st Annual General Meeting for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

## THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- I. In terms of SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility. Pursuant to above said SEBI Circular, login method for e-voting and joining virtual meetings for individual shareholders holding securities in Demat mode, CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> </ol>

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

## **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- II. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on “Shareholders” module.
  3. Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. .Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  6. If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- III. After entering these details appropriately, click on “SUBMIT” tab.
- IV. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- V. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- VI. Click on the EVSN for the relevant <STEL Holdings Limited> on which you choose to vote.
- VII. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- VIII. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- IX. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- X. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XI. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XII. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIII. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz; [mds@mdsassociates.in](mailto:mds@mdsassociates.in) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@stelholdings.com](mailto:secretarial@stelholdings.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@stelholdings.com](mailto:secretarial@stelholdings.com). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

By Order of the Board of Directors

For **STEL Holdings Limited**

**Lakshmi P.S**  
Company Secretary  
(Membership No. A43545)

Place : Kochi

Date : August 30,2021

**STEL Holdings Limited**

CIN: L65993KL1990PLC005811

24/1624, Bristow Road,

Willingdon Island,

Cochin-682003

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 3**

As per the provisions of Section 149(1) of the Companies Act, 2013 ('the Act') and Regulation 17 of the SEBI Listing Regulations, the Company should have at least one Woman Director on its Board. Accordingly, pursuant to Sections 149, 150, 152, 161 and any other applicable provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and read with Article 11 of the Articles of Association of the Company, Mrs. Suhana Murshed aged 38 years was appointed by the Board of Directors of the Company ('the Board') as an Additional Director of the Company with effect from 29th April, 2021. Mrs. Suhana Murshed holds office as an Additional Director of the Company upto the date of this Annual General Meeting in terms of the provisions of Section 161 of the Act. The Company has received a notice in writing from a member proposing the candidature of Mrs. Suhana Murshed, for the office of Director of the Company, under the provisions of Section 160 of the Act, for an initial term of five consecutive years with effect from 29th April, 2021.

The Company has received from Mrs. Suhana Murshed, requisite consent, intimation and a declaration in connection with her appointment as an Independent Director.

Mrs. Suhana is a Partner at Khaitan & Co and is based in Kolkata, West Bengal. Suhana is affiliated with the Bar Council of Maharashtra and Goa. She obtained her LL.M degree from King's College London in 2008. She completed her B.L.S. LL.B degree from the Government Law College, Mumbai. She has been an academic rank holder in the University of Mumbai during her LL.B program and an academic rank holder in the State of Maharashtra.

Suhana has extensive work experience as a transactional lawyer. Her core expertise includes private equity investments, mergers and acquisitions, business transfers, joint ventures and foreign investments. She advises several multinational clients on their India entry strategies, inbound investments and foreign exchange laws. She also regularly advises on matters related to Corporate Governance, corporate laws and other allied commercial laws.

In the opinion of the Board, Mrs. Suhana Murshed is a person of integrity and possesses relevant qualifications, experience and expertise and fulfills the conditions specified in the Act and the rules made thereunder for her appointment as a Woman director and also as an Independent Director of the Company and she is independent of the management. Mrs. Suhana also holds directorship in Saregama India Ltd, Kanoria Chemicals & Industries Limited, Xpro India Limited and Sallum Private Ltd.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Suhana Murshed as an Independent Woman Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Suhana Murshed as an Independent Woman Director, for the approval by the shareholders of the Company. During her tenure of office as Independent Woman Director, Mrs. Suhana Murshed shall not be liable to retire by rotation.

Mrs. Suhana does not hold by herself or for any other person on a beneficial basis, any shares in the Company. Mrs. Suhana is not related to any other director of the Company.

Except Mrs. Suhana Murshed, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

This Statement may also be regarded as a disclosure under Regulation 17 of the SEBI Listing Regulations.

#### **Item No.4**

As per the provisions of Section 161 of the Companies Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Article 11 of the Articles of Association of the Company, Mr. Mahesh Narayanaswamy aged 53 years was appointed by the Board of Directors of the Company ('the Board') as an Additional Director of the Company with effect from February 08, 2021. Mr. Mahesh Narayanaswamy holds office as an Additional Director of the Company upto the date of this Annual General Meeting in terms of the provisions of Section 161 of the Act. The Company has received a notice in writing from a member proposing the candidature of Mr. Mahesh Narayanaswamy, for the office of Director of the Company, under the provisions of Section 160 of the Act.

Mr. Mahesh Narayanaswamy is a Commerce Graduate and a Member of Institute of Cost Accountants of India with more than 30 years of experience in the field of corporate finance in pharmaceutical industry. Mr. Narayanaswamy is presently working with RPG Enterprises, as Vice President, Finance.

The Board considers that his vast knowledge and association would be of immense benefit to the Company and it is desirable to avail services of Mr. Mahesh Narayanaswamy as a Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Mahesh Narayanaswamy as a Director, for the approval by the shareholders of the Company.

Mr. Mahesh Narayanaswamy does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Mr. Mahesh Narayanaswamy is not related to any other director of the Company.

Except Mr. Mahesh Narayanaswamy, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

## **Item no. 5**

The Company has received a notice in writing, pursuant to the provisions of Section 160 of the Companies Act, 2013 ('the Act') from a member M/s. Siemens Syntex Pvt Ltd holding 98198 Equity Shares of Rs. 10/- each of the Company proposing the candidature of Mr. Krishnam Parasramka [DIN: 07632711] as a Director of the Company along with his consent in writing to act as a Director. Mr. Krishnam Parasramka has intimated that he is not disqualified to become a director under the Companies Act, 2013.

The Company has not received any other particulars in respect of the said notice.

The aforesaid notice under section 160 of the Act as received, is available for inspection at the website of the company at [www.stelholdings.com](http://www.stelholdings.com)

No Director or key managerial personnel or their relatives are concerned or interested, financially or otherwise in the subject resolution.

**The Board of Directors of the Company does not recommend/support the Ordinary Resolution under item no.5.**

## **DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS 2 (SS-2) BY ICSI:**

### **Item No . 2**

Mr. Sunil Bhandari aged 61 years is the Non- Executive, Non Independent Director of the Company, since January 18, 2011. Mr. Bhandari is an Chartered Accountant by profession and has vast experience in Corporate Accounting and Finance. He has wide exposure in corporate mergers, take overs and restructure accounting systems. He has also produced two feature films, looked after a radio station and a TV channel, edited group magazines, and he is also a renowned poet.

Mr. Sunil Bhandari does not hold by himself or for any other person in any manner, any shares in the Company. Mr. Bhandari is not related to any other director. Accordingly, the Board of Directors of the Company ('the Board') recommends the Resolution in relation to the appointment of Mr. Sunil Bhandari as a Director, for the approval of the shareholders of the Company by way of an Ordinary Resolution.

Except Mr. Sunil Bhandari, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

## **ANNEXURE 1 TO THE NOTICE**

**Details of Directors' seeking Re-appointment/Appointment at the Annual General Meeting pursuant to Regulation 26(4) and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India**

Name of the Director	Mr. Sunil Bhandari	Mrs. Suhana Murshed	Mr. Mahesh Narayanaswamy
DIN	00052161	08572394	01449684
Age	61	38	53
Date of Birth	22.08.1960	05.11.1982	30.01.1968
Nationality	Indian	Indian	Indian
Date of first appointment on the Board	18.01.2011	29.04.2021	08.02.2021

## STEL HOLDINGS LIMITED

Name of the Director	Mr. Sunil Bhandari	Mrs. Suhana Murshed	Mr. Mahesh Narayanaswamy
<b>Inter-se relationship between Directors and other Key Managerial Personnel</b>	He is not related to any director and Key Managerial Personnel of the Company	She is not related to any director and Key Managerial Personnel of the Company	He is not related to any director and Key Managerial Personnel of the Company
<b>Qualification</b>	B. Com, ACA	BLS, LL.B,LL.M	B.Com, CMA
<b>Expertise in specific functional areas</b>	Finance Management	Corporate laws and allied commercial laws.	Corporate Finance
<b>Number of shares held in the Company &amp; % of holding</b>	Nil	Nil	Nil
<b>List of Directorships held in other Public Limited Companies</b>	<ul style="list-style-type: none"> <li>• Stylefile Events Limited</li> <li>• Spencer International Hotels Limited</li> <li>• Grand Royale Enterprises Limited</li> <li>• Duncan Brothers &amp; Company Limited</li> <li>• Rainbow Investments Limited</li> <li>• Crescent Power Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Saregama India Ltd</li> <li>• Kanoria Chemicals and Industries Limited</li> <li>• Xpro India Limited</li> </ul>	<ul style="list-style-type: none"> <li>• RPG Ventures Limited</li> <li>• Grand Royale Enterprises Limited</li> </ul>
<b>Chairmanships / Memberships of Committees in other Public Limited Companies (Includes Audit Committee [AC] and Stakeholders Relationship)</b>	Nil	Nil	Nil
<b>Number of Board meetings attended during the FY 2020-21</b>	Held during tenure -4 Attended- 4	Held during tenure : 0 Attended : 0	Held during tenure : 1 Attended- 1

**Note:** For more details like remuneration drawn, etc. please refer to the Corporate Governance section of the Annual Report.

By Order of the Board of Directors

**For STEL Holdings Limited**

**Lakshmi P.S**  
Company Secretary  
(Membership No. A43545)

Place : Kochi  
Date : August 30,2021

**STEL Holdings Limited**  
CIN: L65993KL1990PLC005811  
24/1624, Bristow Road,  
Willingdon Island,  
Cochin-682003



## DIRECTORS' REPORT

Dear members,

The Board of Directors have pleasure in presenting the Thirty First Annual Report of your company along with the audited financial statements and related annexures, for the financial year ended March 31, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### 1. Financial Highlights

The revenue of the Company predominantly consist of dividend income. The net profit after tax for the year ended March 31, 2021 was Rs. 866.35 lakhs.

(In lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Total Income	1226.72	1625.71	1226.72	1625.71
Profit / Loss before Tax	1172.83	1549.33	1171.94	1548.61
Provision for Taxation	295.19	31.81	295.19	31.71
Profit/Loss after Tax	866.35	1517.52	865.47	1516.90

### 2. Operations of the Company

Investments are made in various companies and dividend constitutes the major source of income for the Company. Apart from dividend income, the company has interest income from fixed deposits maintained with banks. During the year, total income of the company was Rs. 1226.72 lakhs as against Rs.1625.71 lakhs in the previous year. The Company recorded the Net profit (after tax) of Rs.866.35 lakhs as against Net Profit (after tax) of Rs.1517.52 lakhs in the previous year even in the backdrop of the continued global recession in the financial services sector further aggravated by the COVID-19 pandemic. During the year the consolidated profit after tax was Rs.865.47 lakhs compared to the profit after tax of Rs.1516.90 lakhs in the previous year.

The impact of Covid-19 pandemic in the operations of our company is detailed in the Management Discussion and Analysis Report which forms part of the Annual Report.

### 3. Material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March 2021 and the date of this Board's Report.

#### Change in the Nature of Business

During the year under review, there was no change in the nature of the business. The Company is an Investment Holding Company which invests in the securities of group companies.

### 4. Dividend

Your Directors have not declared any dividend on equity shares for the year ended March 31, 2021, in order to conserve the resources for the future years. There are no amounts to be transferred to Investor Education and Protection Fund.

**Total amount lying in the Unpaid Dividend Account of the company in respect of the last seven years - Nil**

**Total amount lying in the Unpaid Dividend Account of the company in respect of the last seven years - Nil**

**When such unpaid Dividend is due for transfer to the IEPF - NA.**

**The amount of Dividend, if any, transferred by the company to the Investor Education and Protection Fund during the year - NA**

**5. Amount transferred to the Reserves:**

Your Directors does not propose transfer of any amount to the reserves.

**6. Extract of Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Company has placed a copy of the Annual Return as at 31st March, 2021 on its website at: <https://www.stelholdings.com>

By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

**7. Listing**

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited.

**8. Deposits**

The Company has not accepted any deposit within the meaning of subsection 31 of Section 2 and Section 73 of the Companies Act, 2013 and the Rules framed there under. As on March 31, 2021, there were no deposits lying unpaid or unclaimed.

**9. Particulars of Loans, Guarantees or Investments**

The provisions relating to particulars of loans, guarantees or investments under section 186 is not applicable for the Company.

**10. Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo**

The Additional information required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Report is reproduced herewith:

(a) Conservation of energy and technology absorption:

As the Company holds investments in the other Companies, there are no particulars regarding conservation of energy and technology absorption, as required under provisions of the Act and rules made thereunder.

(b) Foreign Exchange earnings and outgo:

Total foreign exchange inflow: Nil

Total foreign exchange outflow: Nil

**11. Subsidiary & Associate Company**

As on March 31, 2021, the Company has a subsidiary, Doon Dooars Plantations Limited, accounts of which shall be made available to the shareholders of the Company seeking such information at any point of time. The Consolidated Financial Statements of the Company along with its subsidiary prepared for the year 2020-21 in accordance with relevant Indian Accounting Standard issued by Institute of Chartered Accountants of India forms part of the Annual Report. None of the companies has become or ceased to be a subsidiary or associate of the Company.

The Company holds 48.81% in the share capital of CFL Capital Financial Services Limited (CFL CFSL). The Hon'ble High Court of Calcutta had passed an order on October 06, 2015, for liquidation of CFL CFSL based on an application filed by a creditor of the company. The office of the official liquidator, Calcutta had took over possession of the Registered office of CFL CFSL on November 19, 2015 along with books, records and assets. As the financial statements of the Associate Company are not available on time, the same has not been consolidated as per the requirements under Companies Act, 2013. A Report on the performance and financial position of the Subsidiary and Associate Company pursuant to Rule 5 of Companies (Accounts) Rules, 2014 is marked as Annexure -A in Form AOC-1 and forms a part of this Report.

The Company has framed a policy for determining material subsidiaries and has uploaded the same on website and link for the same is as below:

[http://stelholdings.com/docs/POLICY\\_ON\\_MATERIAL\\_SUBSIDIARIES.pdf](http://stelholdings.com/docs/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf)

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company.

### 12. Corporate Governance Report and Management Discussion and Analysis Report

Your company has taken adequate steps to adhere to all the relevant stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance. A separate report on the Corporate Governance (Annexure-D), The Management Discussion and Analysis (Annexure- C) and the Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

### 13. Directors and Key Managerial Personnel

The Board of your Company consists of the following Eight Directors:

Category	Name of Directors
Executive Director	Mr. Abraham Ittyipe
Non-Executive Non - Independent Director	Mr. Sunil Bhandari
	Mr. Mahesh Narayanaswamy*
	Mr. Kaushik Roy
Non- Executive Independent Director	Mr. H.C Dalal
	Mr. Umang Kanoria
	Mr. Prem Kapil
	Mrs. Suhana Murshed**

\*Appointed as an Additional Director w.e.f February 08,2021

\*\*Appointed as an Additional Director w.e.f April 29,2021

The composition of the Board is in line with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. All the Directors are having vast knowledge and experience in their relevant fields and the Company had benefitted immensely by their presence in the Board. The key Board qualifications, expertise, attributes are given in details in the Report on Corporate Governance forming part of this Report.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 (1) (a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one Woman Director on the Board. Your Company has Mrs. Suhana Murshed as woman Director on the Board.

The Company has Mr. Sivaramkrishnan as its Chief Financial Officer and Ms. Lakshmi P.S as its Company Secretary who are designated as Key Managerial Personnel within the meaning of Section 203 of the Companies Act, 2013.

#### 13.1 Changes in Directors and Key Managerial Personnel (KMP)

##### Appointment/ Re-appointment :

As per the provisions of the Companies Act, 2013 Mr. Sunil Bhandari retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

The Detailed profile of Mr. Sunil Bhandari, recommended for re-appointment is enclosed with the Notice for the 31th AGM of the Company as per Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Board recommends the re-appointment of Mr. Sunil Bhandari as stated above in the ensuing Annual General Meeting.

Mr. Anant Vardhan Goenka, a Non- Executive Non Independent Director of the Company resigned from directorship w.e.f December 18, 2020 on account of other professional commitments. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mr. Anant Vardhan Goenka during his tenure as a Non-Executive Non Independent Director of the Company.

Mr. Mahesh Narayanaswamy, was appointed by the Board of Directors at its meeting held on February 08, 2021 as an Additional Non Executive Non Independent Director on the Board in place of Mr. Anant Vardhan Goenka, based on the recommendation of Nomination and Remuneration Committee of the Company. Mr. Mahesh Narayanaswamy will hold office as an Additional Director of the Company upto the date of the ensuing Annual General Meeting.

The Company has received a notice u/s 160 of the Act from a Member of the Company signifying his intention to propose the candidature of Mr. Mahesh Narayanaswamy for the office of the Director of the Company.

Mrs. Kusum Dadoo, a Non- Executive Independent Women Director of the Company resigned from directorship w.e.f. February 04, 2021 due to personal reasons. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mrs. Kusum Dadoo during her association since 2019 as a Non-Executive Independent Women Director of the Company. The Board took on record the confirmation from Mrs. Kusum Dadoo that, there are no material reasons for resignation other than those provided.

Mrs. Suhana Murshed, was appointed by the Board of Directors at its Meeting held on April 29, 2021 as an Additional Non-Executive Independent Women Director on the Board in place of Mrs. Kusum Dadoo. Mrs. Suhana Murshed will hold office as an Additional Director of the Company upto the date of the ensuing Annual General Meeting.

The Company has received a notice u/s 160 of the Act from a Member of the Company signifying his intention to propose the candidature of Mrs. Suhana Murshed for the office of the Director of the Company.

The Policy on Directors' appointment and remuneration, including the criteria for determining the qualifications, positive attributes and independence of Directors forms a part of the Corporate Governance Section of the Annual Report.

The Detailed profile of Mr. Sunil Bhandari, Mr. Mahesh Narayanaswamy and Mrs. Suhana Murshed, recommended for re-appointment is enclosed with the Notice for the 31st AGM of the Company as per Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Board recommends all the appointments stated above in the ensuing Annual General Meeting.

There was no change in the Key Managerial Personnel of the Company during the year.

During the year under review, 4 (Four) meetings of the Board of Directors were held, details of which are set out in the Corporate Governance Report which forms a part of this Report.

### **13.2 Declaration by Independent Directors**

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 (1)(b) and 25 (8) of SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet with the criteria of independence, as provided in the Act and SEBI Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs ('IICA').

### 13.3 Board Evaluation

The Board has carried out annual performance evaluation of its own performance, the Directors individually and of its Committees as mandated under the Act and SEBI Listing Regulations. In order to have a fair and unbiased view of all the Directors, the Company engaged the services of an external agency to facilitate the evaluation process. The Directors were provided with an electronic platform to record their views and a consolidated report was generated by the agency based on the views expressed by all the Directors. The reports generated out of the evaluation process were placed before the Board at its meeting and noted by the Directors.

Further, the Independent Directors of the Company met once during the year on March 12, 2021 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

### 13.4. Policy on Appointment and Remuneration of Directors, KMP, Senior Management Personnel and Other employees

The Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company pursuant to the provisions of subsection (3) of Section 178 of the Act and SEBI Listing Regulations. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel, Senior Management Personnel and other employees. The Nomination and Remuneration Policy is enclosed as Annexure – E to this report.

### 13.5 Policy on Board Diversity

The Policy on Company's diversity on the Board is provided on the website of the Company and can be assessed at <https://www.stelholdings.com>.

## 14. Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, and Stakeholder's Relationship Committee number of meetings held during the year under review and other related details including attendance are set out in the Corporate Governance Report which forms a part of this Report.

There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

## 15. Directors' Responsibility Statement as required under Section 134 of the Companies Act, 2013

Pursuant to the provisions of clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards had been followed and there were no material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as at March 31, 2021 and of the profit of the company for the period ending March 31, 2021;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts for the financial year ended on March 31,2021 on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. Auditors:****16.1. Statutory Auditors**

M/s. J Krishnan & Associates, Chartered Accountants, (Registration No.: 001523S), were appointed as the Statutory Auditors of the Company for a term of five years, in the Annual General Meeting of the Company held on 03.08.2017, till the conclusion of the Annual General Meeting to be held for the financial year ended 31.03.2022. The Statutory Auditors have confirmed that, they are not disqualified from continuing as Auditors of the Company.

The requirement of seeking ratification of appointment of the Statutory Auditors by the Members at every Annual General Meeting has been done away with effective May 07, 2018 by making amendment to the provisions of the Companies Act, 2013 by the Ministry of Corporate Affairs and accordingly M/s. J Krishnan & Associates continue to hold the office of Statutory Auditors for FY 2021-22.

The Report given by M/s. J Krishnan and Associates, Chartered Accountants on the financial statement of the Company for the year 2020-21 is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

**Details in respect of frauds**

Details in respect of frauds reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013 other than those which are reportable to the Central Government - Nil

**16.2. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SEP & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2021. The Secretarial Audit was carried out by them and the Secretarial Audit Report is marked as Annexure - F.

The said Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks and no frauds were reported by the Secretarial Auditors to the Company under sub-section (12) of Section 143 of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

**16.3. Internal Auditor**

The Board had appointed, Nikhil George Pinto, Partner of M/s. CaesarPintoJohn & Associates LLP, Company Secretaries as Internal Auditor for the financial year 2020-21.

**16.4 Cost Audit**

The Company was not required to maintain Cost records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 and Rules made thereunder. Hence the Cost Audit is not applicable for the Company.

### 17. Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 read with relevant rules pertaining to Corporate Social Responsibility is not applicable for the Company. The Company had constituted a Corporate Social Responsibility Committee voluntarily to monitor the CSR activities undertaken by the company if any. The said committee was wound up by the board at their meeting held on June 24, 2021.

During the year under review, the Company has not undertaken any CSR activity.

### 18. Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has a mechanism for reporting unethical behavior, actual or suspected frauds or violation of the Company's Code of Conduct or ethics policy. Pursuant to Section 177 (9) & 177 (10) of the Companies Act, 2013 and as per Regulation 4 (2) (d) (iv) & 34 (3) read with Para 10 of Part C of Schedule V of the SEBI (LODR) Regulations, 2015, the Company has a Whistle Blower Policy or Vigil Mechanism in place. The mechanism provide for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue.

The said policy is available on the website of the Company which can be accessed at the link : <http://www.stelholdings.com>

### 19. Related Party Transactions

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length basis as part of its philosophy of adhering to highest ethical standards, transparency and accountability.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions including the material related party transaction were placed before the Audit Committee for approval.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as Annexure B to this Board's Report.

In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. The policy on related party transactions and on dealing with related party transactions as approved by the Board is uploaded on the Company's website on the link: <http://www.stelholdings.com>.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

### 20. Risk Management

The Company is exposed to inherent uncertainties owing to the sector in which it invests and operates. A detailed report on Risk Management is included in Management Discussion and Analysis which forms part of this Report. The report clearly states development and implementation of a risk management policy for the company including identification therein of elements of risks along with risk mitigation plan.

### 21. Particulars of Employees

During the year under review, none of the employees, throughout the year or part of the year were in receipt of remuneration in excess of the sums as prescribed pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014.

The information required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – G and forms a part of this report.

**22. Internal Financial Control**

The Company has in place a stabilized and effective Internal Audit and Financial Control System calibrated to the size and scale of operations of the Company. Apart from statutory audit, in compliance with Section 138 of the Companies Act, 2013, had engaged Mr. Nikhil George Pinto, Partner of M/s. Caesar Pinto John & Associates LLP, Company Secretaries as the Internal Auditors of the Company for the FY 2020-21. Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report. During the year under review, there were no reportable material weaknesses in the systems or operation.

**23. Significant and Material Orders Passed by the Regulators or Courts**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company’s operations in future.

**24. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

No. of complaints received: NIL

No. of complaints disposed off: N A

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**25. Compliance of Secretarial Standards**

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the financial year.

**26. Key Financial Ratio’s**

Key Financial Ratios for the financial year ended 31st March, 2021, are provided in the Management Discussion and Analysis Report given in “Annexure – C”, which forms a part of the Board’s Report.

**27. Acknowledgements**

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, more particularly during this challenging time, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors also record their grateful appreciation for the encouragement, assistance and cooperation received from members, government authorities, banks, and all other stakeholders. Your Directors look forward to the long term future with confidence.

**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**  
(DIN : 01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN: 00052161)  
Director

Place : Kochi

Date : 13.08.2021



**AOC-1**

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

**Statement containing salient features of the financial statement  
of subsidiaries/associate companies/joint ventures****Part "A" : Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in 'actuals)

<b>Sr. No</b>	<b>PARTICULARS</b>	<b>1</b>
1	Name of the subsidiary	Doon Dooars Plantations Limited (CIN:U01132MH1994PLC273639)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2020 to March 31,2021
3	The date since when the subsidiary was acquired	July 28,2010
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupees
5	Share capital	17,00,000
6	Reserves & surplus	(15,37,542)
7	Total assets	5,97,832
8	Total Liabilities	5,97,832
9	Investments	-
10	Turnover	-
11	Profit/Loss before Taxation	(88,312)
12	Provision for taxation	-
13	Profit/Loss after taxation	(88,312)
14	Proposed Dividend	-
15	% of shareholding	100%
Names of subsidiaries which are yet to commence operations		Nil
Name of subsidiaries which have been liquidated or sold during the year		Nil

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

<b>Sr. No</b>	<b>Name of Associates/Joint Venture</b>	<b>CFL Capital Financial Services Ltd CIN:L67120WB1983PLC036805</b>
1	Latest Audited Balance sheet Date	March 31,2015
2	The date since when the Associate/Joint venture was associated	July 28,2010
3	Shares of Associate Company held by the Company on the year end	
	i. Number	67,681,2016
	ii. Amount of Investment in Associates/Joint Venture	127,344,645
	iii. Extent of Holding %	48.81%
4	Description of how there is significant influence	The Company holds 48.81% in the share capital of CFL Capital Financial Services Ltd.
5	Reason why the associate/ Joint venture is not consolidated	Please refer note as given below
6	Networth attributable to shareholding as per latest audited balance sheet	-6,881,830,569.82
7	Profit/ Loss for the year	
	i. Considered in consolidation	Nil
	ii. Not considered in consolidation	Nil
Names of associates or joint ventures which are yet to commence operations.		Not applicable
Names of associates or joint ventures which have been liquidated or sold during the year		Not applicable

**Note :** The Hon’ble High Court of Calcutta has passed an order on October 06, 2015, for liquidation of CFL CFSL based on an application filed by a creditor of the company. The office of the official liquidator, Calcutta had took over possession of the Registered office of CFL CFSL on November 19, 2015 along with books, records and assets. As a result, the Financial Statements are not available for Consolidation.

**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**  
(DIN: 01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN : 00052161)  
Director

**Ms. Lakshmi P.S**  
Company Secretary

**Mr. Sivaramkrishnan**  
Chief Financial Officer

Place : Kochi

Date : 13.08.2021

**Particulars of contracts / arrangements made with related parties****FORM NO. AOC.2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis :**

A material transaction entered by the company during the year ended March 31, 2021 crossing the materiality threshold of 10 % of annual consolidated turnover of the company for which the approval of shareholders at an Extraordinary General meeting held on March 26, 2021 was obtained are as follows:

<b>a) Name (s) of the related party &amp; Nature of relationship</b>	Eminent Electricity Distribution Limited. (CIN: U40100WB2019PLC230040) Entities under Common Control as per Indian Accounting Standards
<b>b) Nature of contracts/arrangements/transactions</b>	Sale of 3,000,000 equity shares of INR 10/- each held by the Company as its investment in Noida Power Company Limited (CIN: U31200UP1992PLC014506), an electricity distribution company, to Eminent Electricity Distribution Limited.
<b>c) Duration of the contracts/arrangements/transactions</b>	NA
<b>d) Salient terms of the contracts or arrangements or transactions including the value, if any:</b>	Consideration payable in cash at INR 325 (Indian Rupees Three Hundred Twenty Five) per equity share held by the Company in Noida Power Company Limited amounting to aggregate total consideration of INR 97,50,00,000/- (Rupees Ninety Seven Crore Fifty Lakhs only).
<b>e) Date(s) of approval by the Board, if any:</b>	February 08, 2021
<b>f) Amount paid as advances, if any:</b>	NIL

For and on behalf of the board of directors

**Mr. Mahesh Narayanaswamy**  
(DIN : 01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN: 00052161)  
Director

Place : Kochi

Date : 13.08.2021

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Overview**

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its present condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future.

STEL remains essentially a holding and investment company. Of the total income received by the Company ('STEL'), dividend income constitutes the main earnings. The performance of the Company is directly related to the performance of the Investee Companies. During the year company has received a dividend income of Rs. 1157.53 lakhs from its Investments compared to the previous year which was Rs.1505.52 lakhs. The Company has also earnings in the nature of interest from fixed deposits maintained with banks.

**Industry and Business Overview and Future Outlook****Global Overview during the Financial Year 2020-21**

The year 2020 will be recalled in the years to come with memories of Shock & Awe. In the first month of the Financial Year, namely April 2020, the world received an unprecedented Shock with Covid19 becoming a global pandemic, the lockdown of all activities to "Flatten the Curve" and to protect the people from the spread of the virus brought about unprecedented fall in activities. Millions faced unsurmountable personal challenges and a large number lost loved ones. For all those of us who were saved from the wrath of the pandemic have been fortunate and have to thank the almighty for his/her support and strength.

Undoubtedly, the poor were hurt the most. Over the past 12 months, the pandemic has harmed the poor and vulnerable and it is threatening to push millions more into poverty. The latest analysis by - Paul Blake & Divyanshi Wadhwa of the World Bank warns that COVID-19 has pushed an additional 88 million people into extreme poverty this year – and that figure is just a baseline.

The Indian Government and millions of caring citizens rose to the occasion and immediately began efforts and programs for distribution of food and food grains. The developed nations left with no other recourse have flooded the world with currency to support their markets and their citizens. The COVID pandemic has added \$24 trillion to the global debt mountain over the last year a new study has shown, leaving it at a record \$281 trillion and the worldwide debt-to-GDP ratio at over 355%. The Institute of International Finance's ('IIF') global debt monitor estimated government support programmes had accounted for half of the rise, while global firms, banks and households added \$5.4 trillion, \$ 3.9 trillion and \$2.6 trillion respectively. "We expect global government debt to increase by another \$10 trillion this year and surpass \$92 trillion," the IIF report said, adding that winding down support could also prove even more challenging than it was after the financial crisis. This will remain the biggest risk that the world will have to contend with for decades to come.

On a positive note the year 2020 will be remembered with Awe as a year of exception human endeavour when humanity persevered with undaunting courage, restarting and rebuilding manufacturing and distribution after a month of enormous disruption. From complete closure of production in April 2020 all companies scaled up production reaching near pre-covid capacity utilization by the third quarter of the financial year. Demand also surged and products found growing markets and higher realizations. It should be noted that Covid is still prevalent all over the country and measures of social distancing, wearing masks and sanitization are still SOP of every organization. In such circumstances for companies to manufacture and sell volumes higher than ever before is extremely laudable. This is true for all enterprises. The 'V' curve recovery in the stock markets in India and globally in 2020-21 is indeed a salute to mankind's fight to survive and grow against this deadly pandemic.

One of the biggest threats to the present strong global equity markets is rising inflation. When it comes to inflation, the alarm bells are ringing louder with the commodity markets shattering records and governments continuing to pile on stimuli. Expectations of price pressures are apparent in the commodity markets, with iron ore, copper, aluminium and other metals either soaring or nearing record levels. The rise in commodity prices suggests that there could be some policy change sooner than later.

### **Indian Economy**

CRISIL Ltd. research states that India's GDP growth will rebound to 11% in fiscal 2022, after an 8% contraction this fiscal. In nominal terms, the size of the economy next fiscal may be 2% larger than what it was in fiscal 2020. Perhaps the biggest concern is that the turnaround has to be more broad-based to bring back at least 14 million jobs estimated by the Centre for Monitoring of the Indian Economy to have been lost. As we all know the pandemic has hit the services sector harder than manufacturing. Within services, the sharpest decline was in trade, hotels, transport, and communication services, which account for roughly 16% of employment. Small businesses, which make up more than a quarter of India's GDP and over 40% of manufacturing output, are key to a broad-based recovery. They are the "missing middle". The pandemic caused revenues of smaller firms to plunge sharper than larger firms, the main reason for job losses.

Future growth depends on kick-starting the country's investment cycle. Analysts say the National Infrastructure Pipeline and production-linked incentive (PLI) scheme to 14 sectors announced by the Government are post-pandemic investment lifelines. CRISIL Research's shows that the PLI scheme could potentially generate incremental revenue of ` 35-40 lakh crores across 14 sectors supported by capital expenditure of ` 2-2.7 lakh crores.

The second wave of Covid remains a big risk given that demand and animal spirits rise with hope and normalcy in everyday life.

### **Company's Performance**

The Shareholders of the company will be pleased to note that the share price of the Company as on 31st March 2021 is 84.45 per share high, having recorded an appreciation of 2.21 times vis-à-vis to the share price of 38.00 per share as on March 31, 2020. The strategy of the Company has always been to remain invested in leaders and in businesses which require lower capital reinvestment to grow. As shown in our Investment Schedule of Annual Financials, the portfolio is skewed in its focus in Power Generation & Transmission Sector, Carbon Black Manufacturers, Tyre Manufacturers, Construction & Infrastructure, Pharmaceuticals, Consumer Goods, Financial Services etc.

We are pleased to share that the market value of our investments in quoted and unquoted securities will come to around ` 687 crores as on 31st March, 2021.

STEL's FYR 21 EBITDA was Rs. 1172.82 lakhs against Rs. 1549.32 lakhs in the previous year. Profit after Tax (PAT) for the year was Rs.866.35 lakhs against the PAT of Rs 1517.52 lakhs in the previous year even in the backdrop of the continued COVID -19 pandemic.

Your Company will continue to allocate its capital between listed equity, fixed income and unlisted equity. Management will evaluate and select investments based on high quality governance, sustainability and strength of the investee company's balance sheets.

The Company continues to invest for the long term while availing opportunities to realize a better gaining position considering the macro economic conditions both globally & domestically.

### **Opportunities & Threats**

With a stable government at the centre, growth is expect to revive, and with stalled projects coming on line, easing of capital availability, in the process improving general business confidence.

The Company's investments are predominantly in Companies engaged in Power Generation and Transmission, Auto Tyres & Rubber Products, Electric Utilities, Carbon Black, Pharmaceuticals, Retail etc. Any adverse impact on these industries could possibly have direct bearing on the performance of the Company. Any slowdown in the growth of Indian economy or any volatility in global financial markets, could also affect the business. The Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes and capital market fluctuations in respect of investments held.

**Risk and Concerns**

Risk Management is an important aspect of the corporate governance which aims to improvise the governance practices across the Company’s activities. The Company is mainly exposed to market risks in the form of reduction in value of its investments and fall in returns due to dip in the Investee Company’s performance.

Board has also adopted the risk management policy and processes which will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. It will help in business growth with financial stability.

**Impact of Covid-19 pandemic on the Company**

The financial year began amidst a strict lockdown post the emergence of COVID-19 pandemic towards the end of the previous financial year. The national lockdown announced affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating volatility in the stock markets. This had a major impact on the fair value of investments held by the Company. However, as the situation became more clear, the stock market recouped its losses leading to recovery in the fair value of investments as at the year end. A much stronger second wave of COVID-19 infections hit the country subsequent to March 31, 2021 and may result in the future income from investments and the valuations of investee companies being affected. The Company has made a detailed assessment of its liquidity position as at the date of approval of these financial statements for the next one year and of the recoverability and carrying values of its assets including property, plant & equipment, investments and other assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial statements. The Management believes that it has taken into account all the public possible impact of known events and economic forecasts based on internal and external sources of information arising from the COVID-19 pandemic while making such assessment in the preparation of these financial statements.

**Internal Control System**

Effective internal controls are necessary for building up an efficient organization. The Company has an adequate system of accounting and administrative control with adequate system of internal checks that ensures safe recording of all Company’s assets and their proper and authorized utilization. Board has appointed the internal auditor to conduct a risk based audit with to review not only test adherence to laid down in policies and procedures but also to suggest improvements in process and systems. Any internal control weaknesses, non-compliance with statutes and suggestions on improvements in existing practices form part of internal audit report. Their audit program is agreed upon by the Audit Committee. Internal Audit observations and recommendations reported to the Audit Committee, which monitors the implementation of such recommendations. The Company has an Audit Committee which on a regular basis reviews the adequacy and effectiveness of internal control.

**Key Financial Ratios\***

Key Financial Ratios *	2020-21	2019-20	Change (%)
Debtors Turnover Ratio	NA. The Company does not have any receivables during the year and previous year.	NA. The Company does not have any receivables during the year and previous year.	NA
Inventory Turnover Ratio	NA. The Company is into Investment operations and hence does not have inventory.	NA. The Company is into Investment operations and hence does not have inventory.	NA
Interest Service Coverage Ratio	NA. The Company does not have any borrowings till date.	NA. The Company does not have any borrowings till date.	
Current Ratio	2310.88	753.51	1557.37
Debt Equity Ratio	NA	NA	NA
Operating Profit Margin %	95.60%	95.59 %	0.01%
Net Profit Margin %	70.62%	93.34%	-22.72 %
Return on Networkth %	1.11 %	3.35 %	2.24 %

\*Assessment of key ratios have been derived at as follows:

Debtors Turnover = Revenue from Operations/Trade Receivables

Inventory Turnover = Revenue from Operations / Inventories

Interest Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / Interest or Finance Cost

Current Ratio = Current Assets/Current Liabilities

Debt Equity Ratio= Term loans and Debentures/Total Equity including all reserves

Operating Profit Margin % = Operating Profit /Revenue from Operations

Net Profit Margin % = Net Profit after Tax / Revenue from Operations

Return on Net worth % = Net Profit After Tax/ Net worth (Total Equity including all reserves)

### Human Resources

Every Company is depended on the quality of workforce. An Organization's vision is lived by and fructified by its people. The Board places on record its appreciation for the dedicated services rendered by the employees for the smooth functioning of the company. During the year under review, the company had only 3 (Three) employees and the company continued with its focus on training and development of its employees.

The Company believes in retaining the best talent, clearly defining their roles and responsibilities.

### Segment wise or product wise performance

The Company's income for the year consisted of dividend, interest and income from disposal of investments and accordingly there are no reportable segments.

### Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's outlook, projections, estimates, expectations or predictions are "Forward Looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. As "forward looking statements" are based on certain assumptions and expectations of future events over which the Company exercise no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Important developments that could affect the Company's operations include a downtrend in the Investee Company performance, significant changes in political and economic environment in India and tax laws.

**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**

(DIN : 01449684)

Director

**Mr. Sunil Bhandari**

(DIN: 00052161)

Director

Place : Kochi

Date : 13.08.2021

**CORPORATE GOVERNANCE REPORT**

**The Company's Corporate Governance Philosophy**

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies. Corporate Governance is an ethically driven business process that is committed to values and conduct, aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good Corporate Governance practices stem from the culture and mind-set of the organization and we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business. Corporate Governance extends beyond corporate law. Its fundamental objective is not the mere fulfillment of the requirements of law but in ensuring commitment of the Board in managing the Company in a transparent manner for maximizing long term shareholder value. Corporate Governance ensures that the affairs of the Company are being conducted and managed in a way which ensures accountability, transparency and adherence to ethical standards and fairness.

The Company has adopted the policy of transparency in all its transactions. Accordingly, the standards of disclosures to the shareholders, employees, government and customers are of the highest standard.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The Board of Directors of the Company are pleased to present the Corporate Governance Report for the year ended 31st March, 2021 :

**1. The Board of Directors:**

**1.1. Composition and Category of Board:**

The Board of the Company consists of a mix of Executive as well as Non-Executive Directors with women director present on its Board. As on March 31, 2021, the STEL's Board of Directors consists of Seven Directors, of which three are Independent Directors. There are three Non-Executive Non-Independent directors and an Executive Director. The composition of the Board satisfies the requirements of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board comprises :-

<b>Category</b>	<b>No. of Directors</b>	<b>% of total no. of Directors</b>
Non-Executive Directors	3	43.00
Executive Director, who is the Wholetime Director of the Company	1	14.00
Non-Executive Independent Directors*	3	43.00
<b>Total</b>	<b>7</b>	<b>100.00</b>

\*One of the Non-Executive Independent Directors, named Mrs. Kusum Dadoo, has tendered her resignation as an Independent Director from the Board of Directors of the Company w.e.f. February 04, 2021 owing to personal reasons. She had confirmed that, there are no other material reasons other than those provided. Subsequently, Mrs Suhana Murshed was appointed as an Additional Non-Executive Independent Women Director of the Company w.e.f. April 29, 2021 for a tenure of 5 years, subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.



## 1.2. Board Meetings:

The Board meets at least four times in a year in accordance with the applicable laws. Additional meetings are held as and when required. The Company plans and schedules the meetings of the Board and its Committee(s) well in advance. The Agendas along with detailed notes are mailed to all the Directors well in advance. However, as and when requests are received from Directors, the Agenda Papers are also circulated in hard copies well before the Board Meeting and other Committee Meetings.

During the financial year 2020-21, the Board of the Company met Four times, i.e on June 25, 2020, August 13, 2020, November 11, 2020 and February 08, 2021. The necessary quorum as per Regulation 17(2A) of the SEBI Listing Regulations was present for all the meetings. The maximum gap between any two Board meetings was not more than one hundred and twenty days.

## 1.3. Directors' Attendance Record, Directorships and Committee positions:

The names and categories of Directors, the attendance record of directors, the number of Directorships and Committee positions held by them in other companies and the shareholdings in the Company as on March 31, 2021 are given below: None of the Directors is a member of more than 10 Board level Committees of public companies in which they are Directors, nor is chairman of more than five such Committees.

Requisite information, according to the requirements of Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015 are provided below:

Name of Director	Category of Director	No of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No of shares held in the Company	Attendance Particulars		
		Other Directorship	Other Committee Membership	Other Committee Chairmanship		No. of Board Meetings held	No. of Board meetings attended	Attendance at the last Annual General Meeting held through Video Conference
Mr. Abraham Ittyype* (DIN: 02717344 )	Wholetime Director	0	1	0	100	4	3	Yes
Mr. Anant VardhanGoenka** (DIN : 02089850)	Non Executive/ Non-Independent /Promoter	4	0	0	-	4	1	No
Mr. Sunil Bhandari(DIN: 00052161)	Non - Executive / Non - Independent / Promoter	6	0	0	-	4	4	Yes
Mr. Kaushik Roy (DIN: 06513489 )	Non Executive/ Non-Independent /Promoter	3	0	0	-	4	4	Yes
Mr. Umang Kanoria (DIN : 00081108 )	Non Executive/ Independent / Non-Promoter	4	2	2	-	4	4	Yes
Mr. H.C. Dalal (DIN : 00206232 )	Non Executive/ Independent / Non-Promoter	2	3	1	-	4	4	Yes
Mr. Prem Kapil (DIN : 06921601 )	Non Executive/ Independent / Non-Promoter	2	1	0	-	4	4	Yes
Ms. Kusum Dadoo*** (DIN : 06967827)	Non Executive/ Independent / Non-Promoter	7	2	0	-	4	3	Yes
Mr. Mahesh Narayanaswamy**** (DIN : 01449684)	Non - Executive / Non - Independent /Promoter	3	0	0	-	4	1	No

\*Mr. Abraham Ittyipe was appointed as an Wholetime Director of the Company w.e.f August 13, 2020.

\*\*Mr. Anant Vardhan Goenka has tendered his resignation as an Non Executive Non Independent Director from the Board of the Company w.e.f December 18,2020 on account of other professional commitments.

\*\*\* Mrs. Kusum Dadoo has tendered her resignation as an Independent Director from the Board of Directors of the Company w.e.f. 4th February, 2021 owing to personal reasons.

\*\*\*\* Mr. Mahesh Narayanaswamy was appointed as an Additional Non Executive Non Independent Director w.e.f February 08, 2021 consequent to the resignation of Mr. Anant Vardhan Goenka.

**Notes:**

- (1) Directorship and Committee membership considered for the purpose are those prescribed under Regulation 26 of the SEBI (LODR) Regulations, 2015. Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.
- (2) Memberships / Chairmanships of only the Audit Committee and the Stakeholders’ Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.
- (3) The maximum no. of Directorships held by all our Directors are well within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities.
- (4) Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings and Committee Meetings in FY 2020-2021 were held through Video Conferencing.
- (5) None of the directors are related to each other.
- (6) The Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1st December, 2019.
- (7) The names of the Listed Entities where the person is a Director and the Category of Directorship have been depicted in the table below as per the new requirement of Schedule V Part C of the SEBI Listing Regulations

The names of the other listed entities in which the member of the Board of the Company is a director as on March 31, 2021 and their category of directorship are :

<b>Name of Director</b>	<b>Directorship in other listed entities</b>	<b>Category of Directorship</b>
Mr. Abraham Ittyipe	Nil	NA
Mr. Anant Vardhan Goenka	CEAT Limited	Executive, Non Independent
	Zensar Technologies Limited	Non-Executive, Non-Independent
Mr. Sunil Bhandari	Nil	NA
Mr. Umang Kanoria	Kanco Tea & Industries Limited	Non-Executive, Non- Independent
	Saregama India Limited	Non-Executive, Independent
	Kanco Enterprises Limited	Executive, Non-Independent
Mr. H.C. Dalal	F G P Limited	Independent, Non-Executive
	Summit Securities Limited	
Mr. Prem Kapil	F G P Limited	Independent, Non-Executive
	Summit Securities Limited	

Name of Director	Directorship in other listed entities	Category of Directorship
Mr. Kaushik Roy	Harrisons Malayalam Ltd	Non Independent, Non- Executive
	Phillips Carbon Black Ltd	
Mrs. Kusum Dadoo	Bhiwani Vanaspati Limited	Non-Executive, Independent
Mr. Mahesh Narayanaswamy	Nil	NA

## Certificate of Non-Disqualification Of Directors

A Certificate from M/s. SEP & Associates, Company Secretaries, Kochi confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

### 1.4. Code of Conduct

In compliance with the Regulation 17 (5) of SEBI (LODR) Regulations, 2015, the Company has put in place a Code of Conduct for Directors and Senior Management. This Code is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. All Board members and Senior Management Personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Wholetime Director of the Company, forms part of this Annual report.

The code of conduct for Directors and Senior Management Personnel is available on the website of the Company at : <https://www.stelholdings.com>.

### 1.5 Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons

The Company has put in place a Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended upto date. This Code is formulated to regulate, monitor and report the trading in the Company's shares by the Designated Persons of the Company.

The above mentioned Code of Conduct is available on the website of the Company at <https://www.stelholdings.com>

### 1.6. Meeting of Independent Directors and Familiarisation Programme

In compliance with the Code for Independent Directors as stipulated under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR) Regulations, 2015, the Independent Directors of the Company met without the presence of the Non - Independent Directors and members of the management on March 12, 2021 in order to, inter alia, review the performance of non independent directors and the board of directors including that of the Chairman taking into account the views of the executive and non executive directors; assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters.

Attendance details of the independent directors meeting held during the FY 2020-21 is given below:

Name of Director	Designation	No of Meetings held during the year	No of meetings attended
Mr. Umang Kanoria	Independent Director	1	1
Mr. H. C Dalal	Independent Director	1	1
Mr. Prem Kapil	Independent Director	1	1

\*NB:- Mrs. Kusum Dadoo, one of the Members of the Independent Directors of the Board of Directors of the Company resigned w.e.f. 4th February, 2021 owing to personal reasons. Subsequently, Mrs. Suhana Murshed was appointed as an Additional Non-Executive Independent Women Director of the Company w.e.f. April 29, 2021 for a tenure of 5 years subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

Pursuant to the Regulation 25 (7) of the SEBI (LODR) Regulations, 2015, the Company familiarizes its Independent Directors with their roles, rights, responsibilities, nature of the industry in which the company operates, business models of the Company and other important matters relating to the business of the Company at the time of appointment and on a continuous basis.

The details of the familiarization programme are disclosed on the Company’s website at <https://www.stelholdings.com>.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder.

The Board includes four independent directors out of which one is a women director. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, Companies Act 2013 and they are independent of the management.

**1.7 Independent director databank registration**

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

**1.8 Board Qualifications, Expertise and Competence**

In Compliance with the Schedule V of SEBI (Listing Obligations and Disclosures Requirements) (Amendments) Regulations, 2018 the below table summarizes the key qualifications, skills, expertise and attributes considered while nominating a candidate to serve on the Board. The Board of the Company comprises qualified members who bring in the required skills, expertise and competence that allows them to make effective contribution to the Board and its Committees.

**Board Qualification Indicators**

<b>Accounts &amp; Finance</b>	The Director should have experience in Accounting and possess Financial Knowledge, proficiency in complex financial management, actively supervising a principal financial officer, principal accounting officer, accountant, auditor or person performing similar functions.
<b>Business Management</b>	Vast experience in driving business success across the country with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and have a broad perspective on market opportunities. Experience in all aspects of overseeing and supervising business operations.
<b>Board Diversity</b>	Representation of gender, ethnic, geographic, cultural or other perspectives that expand the Board’s understanding of the needs and viewpoints of the Company’s customers, employees, governments, regulators and other stakeholders.
<b>Leadership</b>	Leadership experience in a significant enterprise with a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, succession planning and driving change and long-term growth.

<b>Technology</b>	A background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
<b>Law</b>	Vast knowledge in all facets of Indian Civil, Corporate and Industrial Laws. Knowledge about the Legal consequences of non-compliance of laws applicable to the Company.
<b>Corporate Governance</b>	Experience by serving on the Board of the public company to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate corporate governance practices.
<b>Sales and Marketing</b>	General knowledge or experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance company reputation.

The specific areas of focus or expertise of individual Board members are given below:

Name of Director	Area of Expertise, skills and competencies							
	Accounts & Finance	Business Management	Board Diversity	Leadership	Technology	Law	Corporate Governance	Sales and Marketing
Mr. Anant Vardhan Goenka	√	√	√	√			√	√
Mr. Sunil Bhandari	√	√	√	√			√	√
Mr. Umang Kanoria	√	√	√	√			√	√
Mr. H.C. Dalal	√	√	√	√			√	
Mr. Prem Kapil	√	√	√	√			√	√
Mr. Kaushik Roy	√	√	√	√	√		√	√
Mr. Abraham Ittyipe	√	√	√	√	√		√	
Ms. Kusum Dadoo	√	√	√	√		√	√	
Mr. Mahesh Narayanaswamy	√	√	√	√			√	

## 2. Committees of the Board

### 2.1. Audit Committee:

The Audit Committee of the Board is constituted under Section 177 of the Companies Act, 2013 read with Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

As on March 31, 2021, the Audit Committee consisted of four Directors viz., Mr. Umang Kanoria, Mr. Sunil Bhandari, Mr. H. C. Dalal and Mr. Prem Kapil.

**\*N.B :** Mrs. Kusum Dadoo, one of the members of the Audit Committee resigned from the Company w.e.f February 04,2021 owing to personal reasons.

Mr. Umang Kanoria, Independent Director, is the Chairman of the Committee. All members of Audit Committee are financially literate and the Chairman of the Audit Committee has accounting and related financial management expertise and the composition of the Committee is in compliance with the requirements of Section 177 of the Act and the Regulation 18(1) of the SEBI Listing Regulations.

Representatives of the Statutory Auditors are invited to attend meetings of the Committee. The Committee also invites the Chief Financial Officer and Internal Auditor as and when their presence at the meeting of the Committee is considered appropriate. On some occasions, it also meets without the presence of any Executives of the Company.

The Company Secretary Ms. Lakshmi P.S acts as the secretary to the audit committee.

The Audit Committee has met four times during the FY 2020 - 2021 on 25.06.2020, 13.08.2020, 11.11.2020 and 08.02.2021. The intervening period between two Audit Committee Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. The necessary quorum was present for all the meetings. All the recommendations made by the Audit Committee were accepted by the Board unanimously.

**Attendance at Audit Committee Meetings held during the Financial Year 2020 - 2021:-**

The names of Members and Chairman of the Audit Committee, Meetings held and attendance thereof during the Financial Year 2020-2021 is as given below:-

Name of the Member	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr.Umang Kanoria	Chairman	4	4
Mr.Sunil Bhandari	Member	4	4
Mr.H.C Dalal	Member	4	4
Mr.Prem Kapil	Member	4	4
Mrs.Kusum Dadoo*	Member	3	3

\*Mrs. Kusum Dadoo resigned from the Board and Committees w.e.f February 04, 2021.

**The functions/terms of reference of the Audit Committee of the Company include the following:**

- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Directors Responsibility Statement to be included in the Board’s Report in terms of Section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;

- vi. Disclosure of any related party transactions; and
- vii. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Scrutiny of inter-corporate loans and investments;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

The Audit Committee is empowered, pursuant to its terms of reference, to:

- a) Investigate any activity within its terms of reference and to seek any information it required from any employee.
- b) Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.
- c) Discuss any related issues with the internal and statutory auditors and the management of the Company.
- d) Review and monitor the auditors' independence and performance and effectiveness of audit process.
- e) Approval or any subsequent modification of transactions of the Company with related parties.
- f) Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.
- g) Oversee the vigil mechanism/ whistle blower policy of the Company.

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
  - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice

**Fees paid on consolidated basis to the Statutory Auditor:**

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2020-21 is Rs. 2,36,000/- inclusive of taxes.

**2.2. Stakeholders’ Relationship Committee:**

In compliance with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted a Stakeholders Relationship Committee to redress the grievances of shareholders, relating to share transfers/ transmission, non-receipt of Annual reports etc.

The works relating to share transfer /transmission etc. is being looked after by M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent.

As on March 31, 2021 the Stakeholder’s Relationship Committee consisted of three directors. Mr. Sunil Bhandari, Mr. Umang Kanoria, and Mr. Abraham Ittyipe.

**\*N.B :** Mrs. Kusum Dadoo, one of the members of the Stakeholder’s Relationship Committee resigned from the Board of Directors of the Company w.e.f February 04,2021 owing to personal reasons. Subsequently, Mrs. Suhana Murshed was appointed as an Additional Non- Executive Independent Women Director of the Company w.e.f. April 29, 2021 for a tenure of 5 years subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

The Stakeholders’ Relationship Committee was reconstituted and inducted Mrs. Suhana Murshed as a member of the Committee.

Mr. Sunil Bhandari, Non- Executive Non Independent Director is the Chairman of the Committee. The Company Secretary Ms. Lakshmi P.S is the Secretary and Compliance Officer of the Stakeholders’ Relationship Committee.

During the year, the Committee met only once i.e on 08.02.2021.

**The composition and attendance of the Stakeholders Relationship Committee during the FY 2020-21 are as follows:**

Name of the Member	Position held	No. of Meetings	
		Held during the tenure	Attended
Mr.Sunil Bhandari	Chairman	1	1
Mr.Umang Kanoria	Member	1	1
Mr.Abraham Ittyipe	Member	1	1

The Compliance Officer of the Company reviews the investor complaints on regularly basis to find out whether complaint has been resolved within the time specified in the Investor Grievance Redressal Policy of the Company.

The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System – ‘SCORES’ and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

**Status of Investors’ Grievance**

Pursuant to SEBI (LODR) Regulations, 2015, the status of investor complaints received and redressed during FY 2020-21 are as follows:



No. of Investor queries/ complaints received during the financial year 2020-21	No. of Complaints resolved to the satisfaction of shareholders during the financial year 2020-21	No. of Investor queries/ complaints remaining unresolved/pending at the end of the financial year
Nil	Nil	Nil

As on March 31, 2021, there were no pending investor complaints against the company.

### 2.3. Nomination and Remuneration Committee:

The Nomination & Remuneration Committee (NRC) is set up by the Board in compliance with the Section 178 (1) of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

The Committee is entrusted with combined advisory responsibilities concerning the nomination for appointment or removal of Directors and Senior Management including Key Managerial Personal and recommendation of remuneration policy. The Company Secretary of the Company acts as the Secretary to the Committee.

The terms of reference of the Nomination & Remuneration Committee in line with Section 178 of the Companies Act, 2013 and Regulation 19 read with Para A of Part D of Schedule II of the SEBI (LODR) Regulations, 2015, are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- b) Formulation of criteria for evaluation of performance of Independent directors and the Board of Directors;
- c) Evaluate the performance of Independent Directors and the Board of Directors and to decide whether to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- d) Devising a policy on diversity of board of directors;
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- f) Whether to extend or continue the term of appointment of the Independent director, on the basis of the report of performance evaluation of Independent director; and
- g) Recommend to the Board, all remuneration, in whatever form, payable to the senior management.
- h) Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

The performance evaluation criteria for Non-Executive Directors including Independent Directors laid down by Committee and taken on record by the Board includes –

- a. Attendance and participation in the Meetings.
- b. Preparedness for the Meetings.
- c. Understanding of the Company and the external environment in which it operates and contributes to strategic direction.
- d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.

- e. Engaging with and challenging the management team without being confrontational or obstructionist.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include –

- a) performance of the Directors; and
- b) fulfillment of the independence criteria as specified in the SEBI Listing Regulations and their independence from the management:

Provided that in the afore-said evaluation, the Directors who are subject to evaluation shall not participate.

As on 31st March, 2021, the Nomination & Remuneration Committee of the Company, consists of two Non-Executive Independent Directors and one Non-Executive Non-Independent Director as members, i.e. Mr. Umang Kanoria, Mr. H. C. Dalal and Mr. Sunil Bhandari. Mr. Umang Kanoria is the Chairman of the Nomination and Remuneration Committee. Company Secretary Ms. Lakshmi P.S acts as the Secretary and Compliance Officer to the Committee.

The Committee met twice during the FYR 2020-21 i.e. on August 13, 2020 and February 08, 2021. Necessary Quorum as per Regulation 19(2A) of the SEBI Listing Regulations, was present for all the Meetings.

**The Composition and attendance of the Members at the NRC meetings held during the FY 2020-21 are as follows:**

Name of the Member	Position Held	No. of Meetings	
		Held during the tenure	Attended
Mr.Umang Kanoria	Chairman	2	1
Mr. Sunil Bhandari	Member	2	2
Mr.H.C Dalal	Member	2	2

In compliance with the requirements of Act and Rules made thereunder and pursuant to Regulation 19 of the SEBI Listing Regulations read with Schedule II Part D to the said Regulations, the Board of Directors has approved a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel, and other employees of the Company. Nomination and Remuneration Policy forms part of the Directors’ Report.

**Acceptance of recommendations of committees of the board**

All the recommendations made by any Committee of the Board during the financial year 2020-21 have been duly accepted and taken on record by the Board of Directors of the Company.

**Directors/ Manager’s Remuneration:**

Non-Executive Directors are paid sitting fees for attending the meetings of the Board/ Committee within the limits as prescribed under the Companies Act, 2013. Apart from this, the Non- Executive Directors do not have any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its senior management or its subsidiaries.

The Payment of remuneration to the Wholetime Director who is the Executive Director of the Company is governed by the agreements executed by the Company with him and is governed by the Nomination and Remuneration Committee, Board and shareholder’s resolution.

The Board has carried out an annual evaluation of its own performance, the directors including independent directors and also committees of the Board based on the guideline formulated by the Nomination & Remuneration Committee. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters/criteria considered during the evaluation process.

### 3. Remuneration of Directors:

The Company confirms that the remuneration paid to the Directors is as per terms laid out in the Policy on Nomination & Remuneration of the Company. The Independent Directors of the Company has no pecuniary relationship with the Company, its promoters or Directors during the two immediately preceding financial years. Further, the Company has not paid any other remuneration apart from the sitting fees to the Non - Executive, Non – Independent Directors during the FY 2020-21. The Non Executive Non Independent Directors and Independent Directors were paid sitting fee of Rs.5000/- per Board Meeting, Rs. 3000/- per Audit Committee and Rs.1000/- per NRC committee during the year 2020-21.

The details of the remuneration paid to the Directors during FY 2020 - 2021 are given below:

Name of Director	Gross salary	Perquisites	PF contribution	Sitting Fees	Stock Options	Bonus	Total
<b>Executive Director</b>							
Mr. Abraham Ittyipe*	1,50,000	-	-	-	-	-	<b>1,50,000</b>
<b>Non-Executive Directors</b>							
Mr. Anant Vardhan Goenka**	-	-	-	5,000	-	-	5,000
Mr. Sunil Bhandari	-	-	-	34,000	-	-	34,000
Mr. H.C Dalal	-	-	-	34,000	-	-	34,000
Mr. Kaushik Roy	-	-	-	20,000	-	-	20,000
Mr. Umang Kanoria				33,000			33,000
Mr. Prem Kapil				32,000			32,000
Mrs. Kusum Dadoo***				24,000			24,000
Mr. Mahesh Narayanaswamy****	-	-	-	5,000	-	-	5,000
<b>Total</b>	<b>1,50,000</b>	-	-	<b>1,87,000</b>	-	-	<b>3,37,000</b>

\*Mr. Abraham Ittyipe was appointed as an Wholetime Director of the Company w.e.f August 13, 2020. He was manager of the company till September 10, 2020. The total remuneration paid to him consists of remuneration drawn in the capacity of manager and as a director after the appointment.

\*\*Mr. Anant Vardhan Goenka resigned from the board w.e.f December 18, 2020.

\*\*\* Mrs. Kusum Dadoo resigned from the board w.e.f February 04, 2021.

\*\*\*\* Mr. Mahesh Narayanaswamy was appointed as an Additional Director on the board w.e.f February 08, 2021.

### 4. Annual General Meetings

The details of Annual General Meetings (AGM) held during the last three years are as follows:

Sl.No.	AGM	Year	Date	Time	Location
1	30 <sup>th</sup>	2020	28.09.2020	2.00 P.M	Through Video Conferencing
2	29 <sup>th</sup>	2019	06.09.2019	2.00 P.M	Kerala Fine Arts Hall, Fine Arts Avenue, Foreshore Road, Kochi – 682016
3	28 <sup>th</sup>	2018	26.09.2018	2.00 P.M	

**Special Resolutions passed at the last three AGMs**

Sr. No.	Date of AGM	Special Resolution
1	September 28,2020	Nil
2	September 06,2019	1. Appointment of Ms.KusumDadoo (Din: 06967827) as an Independent Director 2. Re-Appointment of Mr. H.C Dalal as an Independent Non-Executive Director. 3. Re-Appointment of Mr. PremKapil as an Independent Non-Executive Director. 4. Re-Appointment of Mr. UmangKanoria as an Independent Non-Executive Director.
3	September 26,2018	Nil

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

Details of Extraordinary General Meeting (EGM) held during the year 2020-21 is as follows:

Sl.No.	Date of EGM	Time	Location	Type of Resolution	Special Business conducted
1	26.03.2021	11.00 A.M	Through Video Conferencing	Ordinary	Approval for transfer of entire shareholding of the Company held in Noida Power Company Limited by way of sale to Eminent Electricity Distribution Limited, a related party

The Ordinary resolutions as set out in the notice of the EGM were duly passed by the shareholders in the meeting.

No Special resolution was passed last year through postal ballot.

No special resolution is proposed to be conducted through postal ballot.

**5. Disclosures:**

**5.1. Disclosure of Materially Significant Related Party Transactions:**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions including the material related party transaction entered during the year were placed before the Audit Committee for approval. The transactions with the related parties are disclosed in the Notes of the Annual Accounts in compliance with Accounting Standard relating to "Related Party Disclosures" and Companies Act, 2013 read with Rules thereunder and Listing Regulations. Apart from receiving director remuneration, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

During the year, a material related party transaction crossing the materiality threshold of 10 % of annual consolidated turnover of the company was entered by the Company. The said transaction was approved by the shareholders at an Extraordinary General Meeting of the Company which was held on March 26, 2021. The particulars of material contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 is disclosed in Form AOC-2 and marked as Annexure B to this Board's Report.

In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. The policy on related party transactions and on dealing with related party transactions as approved by the Board is uploaded on the Company's website on the below link: <http://www.stelholdings.com>.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

### 5.2. Statutory Compliance, Penalties and Strictures:

There were no instances of non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

### 5.3. Whistle Blower Policy

The Board of Directors has adopted Whistle Blower Policy. Whistle blower mechanism enable directors, employees, stakeholders, including individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices. No person has been denied access to the audit committee.

### 5.4. Disclosure of Accounting Treatment

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable, in the preparation of the financial statements.

The financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015.

### 5.5. Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements laid down by Regulation 34 & 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

A detailed report on the status of compliance with all the applicable corporate laws, rules and regulations by the Company is placed before the Board on a quarterly basis for their information and review.

The Company is in compliance with all the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

### 5.6. Adoption of the discretionary requirements.

The discretionary requirements may be implemented as per the discretion of the Company. Details of compliance of discretionary requirements are listed below:

#### 5.6.1. Audit qualifications

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

### 6. CEO/CFO Certification

The certificate required under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, duly signed by Mr. Sivaramkrishnan, Chief Financial Officer of the Company has been submitted to the Board of Directors, in its meeting held on August 13, 2021 as required. The said certificate is enclosed in the Annual Report.

### 7. Means of Communication

The Unaudited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the Listing regulations. The Company provides the information to the stock exchange where shares of the Company are listed.

The results are also published in one English newspaper having national circulation and one Malayalam Newspaper.

The Financial Results of the Company are normally published in the following newspapers:

- A. Financial Express (English Language)
- B. Deshabhimani (Malayalam Language)

The Financial Results of the Company are displayed on the Company’s website [www.stelholdings.com](http://www.stelholdings.com).

The Company website also displays official news releases as and when applicable.

No presentations were made to institutional investors or to the analysts.

**8. General Shareholder information:**

**8.1. Annual General Meeting: Date, Time and Venue:**

As indicated in the notice annexed to this Annual Report, the Thirty First Annual General Meeting of the Company for the Financial Year 2020-21 will be held on :

Date : Tuesday, September 28, 2021

Time : 12: 00 Noon

Venue : Through Video Conferencing/ Other Audio Visual Means

The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020 and 13th January, 2021 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure 1 to the Notice of the AGM.

**8.3. Book Closure Dates:** The Company’s Register of Members and Share Transfer Books will remain closed from September 22, 2021 to September 28, 2021 (both days inclusive).

**8.4. Dividend payment:** The Board has not recommended any dividend for the FY 2020-21.

**8.5. Details of Stock Exchanges where listed**

Stock Exchanges	Stock Code
BSE Ltd., Mumbai Corporate Relationship Dept, 1st Floor, New Trading Ring, Rotunda Building, PJ Towers, Dalal Street, Fort Mumbai –400001, Maharashtra	533316
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra €, Mumbai – 400051, Maharashtra	STEL
ISIN	INE577L01016

\*Annual listing fees for the FYR 2021-22 has been paid to BSE Ltd and NSE Ltd on time.

## 31<sup>st</sup> Annual Report 2020 - 2021

### 8.6 Financial calendar

For the year ending March 31, 2022, the results will be announced on:

Event	Due Date
quarter ending 30th June, 2021	On or before 14th August, 2021
quarter ending 30th September, 2021	On or before 14th November, 2021
quarter ending 31st December, 2021	On or before 14th February, 2022
quarter ending 31st March, 2022	On or before 30th May, 2022 (Audited)

### 8.7. Market Price Data

Market Price and Volume of the Company's Shares of face value of Rs. 10 each traded in the major stock exchanges where Company's shares are listed during the financial year 2020-21:

Year (2020-21)	BSE (Amount in Rs.)		NSE (Amount in Rs.)		Volume (nos.)	
	High	Low	High	Low	BSE	NSE
April	51.30	36.95	51.00	36.30	41414	198000
May	53.00	38.00	52.00	42.75	8646	102000
June	70.00	45.70	67.00	44.50	141802	704000
July	66.00	55.10	66.80	55.75	139041	582000
August	67.95	55.25	67.95	54.55	153572	1371000
September	65.90	51.00	66.50	50.10	94558	502000
October	61.75	48.10	62.00	45.25	41047	136000
November	66.90	49.10	64.00	52.45	55404	320000
December	73.60	55.35	73.85	55.30	180685	1007000
January	95.50	66.80	95.80	66.25	368087	2830000
February	90.00	79.00	91.75	78.40	55901	267000
March	86.00	80.00	87.00	80.05	60668	263000

### 8.8. A performance chart showing Share Price of the Company in comparison with S&P BSE SENSEX and NSE Nifty during the year 2020-21 is as below:

Year 2020-21	STEL BSE High	STEL NSE High	Sensex	NSE Nifty
April	51.30	51.00	33717.62	9859.90
May	53.00	52.00	32424.10	9580.30
June	70.00	67.00	34915.80	10302.10
July	66.00	66.80	37606.89	11073.45
August	67.95	67.95	38628.29	11387.50
September	65.90	66.50	38067.93	11247.55
October	61.75	62.00	39614.07	11642.40
November	66.90	64.00	44149.72	12968.95
December	73.60	73.85	47751.33	13981.75
January	95.50	95.80	46285.77	13634.60
February	90.00	91.75	49099.99	14529.15
March	86.00	87.00	49509.15	14690.70

**8.9. Share Transfer Process**

Share Transfer in physical form is normally effected within a period of 15 days of receipt of documents complete in all respects. All share transfers are approved by the Share Transfer Committee which meets at least once in a week, thus ensuring smooth processing and completion of dispatch of the share certificates within 15 days from the lodgment of the share transfer documents. Request for de-materialisation of shares are processed and confirmed to the respective depositories within 15 days.

**8.10. Distribution of Shareholding as on March 31, 2021**

Range	No. of Shareholders	No. of Shares held	Percentage (%) to Total share holders	Percentage (%) to Total Issued Capital
1-500	21004	2402376	92.4838	13.02
501-1000	891	703172	3.9232	3.81
1001-2000	403	608472	1.7745	3.30
2001-3000	133	338223	0.5856	1.83
3001-4000	68	239713	0.2994	1.30
4001-5000	51	234003	0.2246	1.27
5001-10000	89	649287	0.3919	3.52
10001- above	72	13280159	0.3170	71.96
<b>Total</b>	<b>22711</b>	<b>18455405</b>	<b>100.00</b>	<b>100.00</b>

**8.11. Dematerialisation of Shares**

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to provide trading of shares in dematerialized form. International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE577L01016. As on March 31, 2021, 17657578 shares of the company, constituting 95.67 % were in dematerialized form.

**8.12. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments and commodity price risk or foreign exchange risk and hedging activities:**

As of March 31, 2021, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company. The Company does not have any outstanding convertible.

Commodity price risk or foreign exchange risk and hedging activities – Nil

**8.13. Plant Locations:**

Being an Investment Holding Company, STEL Holdings Ltd has no plant locations.

**8.14. Anti-Sexual Harassment Policy :**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Details pertaining to complaints received and disposed during the year is disclosed in the Directors Report.

**8.15. Equity shares of STEL Holdings Ltd –Unclaimed securities suspense Account**

The Securities and Exchange Board of India (SEBI) vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, inserted new Clause 5A II containing uniform procedure for dealing with unclaimed shares. In compliance with the amendment to Clause 5A of the Listing Agreement issued by SEBI, the Company has opened a demat account in the name of “STEL Holdings Limited - Unclaimed Suspense Account” for the purpose of transferring the unclaimed shares. As per the said circular, the Company sent the 3 reminders



to all those shareholders, whose shares remained unclaimed with the Company, requesting them to submit necessary documents and claim the shares; so as to avoid transfer of such unclaimed shares to the “Unclaimed Suspense Account”.

As per Regulation 39 (3) of the LODR and Schedule VI thereto, as and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the above said shares, after proper verification, the shares lying in the Unclaimed suspense account shall either be credited to the demat account of the shareholder or the physical certificates shall be delivered after rematerialising the same, depending on what has been opted by the Shareholder.

As on March 31, 2021, the total unclaimed equity shares were 184675. The Voting rights on the equity shares lying in the Suspense Account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claim the shares.

Particulars	No. of Share holders	No.of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1992	184745
number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	1	70
number of shareholders to whom shares were transferred from suspense account during the year;	1	70
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1991	184675

**8.16.** The Company has framed a policy for determining material subsidiaries and has uploaded the same on website and link for the same is as below:

[http://stelholdings.com/docs/POLICY\\_ON\\_MATERIAL\\_SUBSIDIARIES.pdf](http://stelholdings.com/docs/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf)

**8.16. Address for correspondence**

<p><b>Registered Office STEL Holdings Limited (CIN: L65993KL1990PLC005811)</b> 24/1624, Bristow Road, Willingdon Island, Cochin -682003 Phone No: 0484 6624335, 2668023; Fax: 0484 - 2668024 Email: secretarial@stelholdings.com Website: www.stelholdings.com</p>	<p><b>Registrar and Share Transfer Agent Link Intime India Private Limited</b> Surya, 35, Mayflower Avenue Behind Senthil Nagar, Sowripalayam Road Coimbatore – 641028 Phone No: 0422 2314792, 2315792 Fax: +91 422 2314792 Email: coimbatore@linkintime.co.in Website: www.linkintime.co.in</p>
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**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**  
(DIN :01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN: 00052161)  
Director

Place : Kochi

Date : 13.08.2021

**NOMINATION & REMUNERATION POLICY**

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on May 30, 2014 constituted the Nomination and Remuneration Committee of the Board of Directors to comprise of Mr. Umang Kanoria (Chairman), Mr. H.C. Dalal (Member) and Mr. Sunil Bhandari (Member).

The Board has delegated the responsibility to the Committee to formulate the criteria for identification and selection of the suitable candidates for the various positions in senior management and also candidates who are qualified to be appointed as director on the Board of Directors of the Company. The Committee is also to recommend a policy, relating to the remuneration for the directors, key managerial personnel, senior management personnel and other employees and a process by which the performance of the directors could be evaluated.

The Committee shall be guided by the broad principles as laid down below in respect of nominating persons to hold office of director, senior management including key managerial personnel and recommending the remuneration payable.

**I. Criteria for selection of members on the Board of Directors and candidates for senior management.**

The Committee has adopted the following criteria for selection of member on the Board of Directors of the Company and also candidates eligible to be appointed in the senior management of the Company.

**A) Criteria for Selection of Directors**

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that:

- a) the candidate possesses positive attributes/ qualities such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company;
- b) the candidate shall be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- c) the candidate meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements)Regulation 2015, in case of appointment of an independent director;
- d) the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

**B) Criteria for Selection of Senior Management Personnel**

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013.

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below:

- a) The candidate should have a minimum experience of 10 years in any of the areas viz. banking, infrastructure, financial management, legal, sales, marketing, administration, research, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and Committee are relevant for the Company's business;
- b) The candidate should possesses qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company

If the Committee thought fit and in its opinion finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), the Committee shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

**II. Remuneration policy for Directors, Senior Management and Key Managerial Personnel****A) Remuneration of Managing Director, Whole Time Director and Manager:**

The Committee while considering the remuneration of the Managing Director, the Whole Time Director

and Manager (wherein there is no Managing Director), may take into consideration the performance of the Company, the experience of the person, his background, job-profile and suitability, his past remuneration, the comparative remuneration profile in the industry, size of the Company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.

### **B) Remuneration of Non-Executive Director (NED)**

- a) The remuneration to the NEDs may be restricted to the sitting fees for attending meetings of the Board of Directors and meetings of the Committees.
- b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees for attending meetings of the Board of the Directors and meeting of the Audit Committee and Nomination and Remuneration Committee, provided that any sitting fees paid to the Independent Director shall not be less the sitting fees paid to non-executive directors.
- c) Independent Directors shall not be eligible for stock options of the Company, if any.  
Any incidental expense incurred by the directors with relation to the participation in the meetings of the Board and Committees shall be reimbursed.

### **C) Remuneration of Senior Management Personnel and KMPs**

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the Policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view of the performance of the Business/ Function under his control and also the contribution of the Business/ Function under his control towards the overall performance of the Company.

## **III. Evaluation of performance of directors**

### **A) Evaluation of the performance of Managing Director / Whole Time Director**

The performance of the Managing Director / Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors. Emphasis on achieving top line and bottom line targets, with no adverse qualification by the auditors in the accounts, may be made.

### **B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)**

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

- a) Attendance at Meetings - attendance at Board Meetings, AGMs, Committee meetings.
- b) Other Directorships held by the NED – in listed or unlisted companies
- c) Other companies in which NED is a Chairperson
- d) Participation at Board/Committee meetings
- e) Input in strategy decisions
- f) Review of Financial Statements, risks and business performance
- g) Time devoted towards discussion with Management
- h) Review of Minutes – Board Minutes, Committee meeting minutes and AGM Minutes

Marks may be assigned for each of the above criteria and based on the score achieved, the Committee may evaluate the performance of each non-executive director and independent director.

This policy be and is hereby adopted on this day of August 8, 2014 by the Nomination and Remuneration Committee of the Board of Directors of STEL Holdings Limited.

Further provided that, any amendment to any of the clauses in the aforesaid policy shall be subject to the prior approval of the Committee and such amendment shall be informed to the Board of Directors of the Company.

**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**  
(DIN :01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN: 00052161)  
Director

Place : Kochi

Date : 13.08.2021

**Form No. MR-3****SECRETARIAL AUDIT REPORT***FOR THE FINANCIAL YEAR ENDED 31.03.2021*

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members  
**STEL Holdings Limited**  
24/1624, Bristow Road, Willingdon Island  
Ernakulam  
Kerala-682003

We, SEP & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STEL HOLDINGS LIMITED (CIN: L65993KL1990PLC005811)** (hereinafter called the "Company"). Secretarial Audit was conducted for the financial year ended on 31st March 2021 in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) as amended and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report** that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority and the same was captured and recorded as part of the minutes. There were no dissenting views by any member of the Board of Directors during the period under review.

**We further report that** there are adequate systems and processes in the Company commensurate with its size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that during the audit period there were no instances of:**

- (i) Public / Right / Preferential issue of shares / debentures / sweat equity etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

This report is to be read with Annexure A of even date and the same forms an integral part of this report.

For **SEP & Associates**

Company Secretaries

(ICSI Unique Code: P2019KE075600)

**CS Puzhankara Sivakumar**

Managing Partner

FCS: F3050, COP No. 2210

UDIN: F003050C000759806

Place: Kochi

Date: 10.08.2021

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE**

To  
The Members  
**STEL Holdings Limited**  
24/1624, Bristow Road, Willingdon Island  
Ernakulam  
Kerala-682003

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of the provisions of all laws, rules, regulations, standards applicable to **STEL HOLDINGS LIMITED** (hereinafter called the "Company") is the responsibility of management of the Company. Our examination was limited to the verification of the records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of the Secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to issue Secretarial Audit Report, based on the audit of the relevant record maintained and furnished to us by the Company, along with explanations where so required.
3. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial and other records, legal compliance mechanism and corporate conduct. We believe that the process and practices we followed provide a reasonable basis for our Secretarial Audit Report.
4. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
5. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management as conducted the affairs of the Company.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2021 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For **SEP & Associates**  
Company Secretaries  
(ICSI Unique Code: P2019KE075600)

**CS Puzhankara Sivakumar**  
Managing Partner  
FCS: F3050, COP No. 2210  
UDIN: F003050C000759806

Place: Kochi  
Date: 10.08.2021

**Information pursuant to Section 197(12) of the Companies Act, 2013****read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Anant Goenka	0.01
		Mr. Sunil Bhandari	0.07
		Mr. Umang Kanoria	0.07
		Mr. H.C. Dalal	0.07
		Mr. Prem Kapil	0.06
		Mr. Kaushik Roy	0.04
		Mr. Mahesh Narayanaswamy	0.01
		Mr. Abraham Ittyipe (Wholetime director)	0.30
		Mrs. Kusum Dadoo	0.05
2	The percentage increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary (CS) or Manager, if any in the financial year:	Mr. Sunil Bhandari	None of the Directors have received remuneration apart from sitting fees for attending the meetings of the Board Audit Committee, and Nomination and Remuneration Committee (NRC) where they are members. No change in the amount of sitting fee paid per Board meeting during the year under review as compared to the financial year 2019-20 hence there is no percentage increase in the remuneration of directors.
		Mr. Umang Kanoria	
		Mr. H.C. Dalal	
		Mr. Prem Kapil	
		Ms. Surbhi Singhi	
		Mr. Kaushik Roy	
	Mr. Abraham Ittyipe, Wholetime Director	There has been an increase in the remuneration of 25% to Mr. Abraham Ittyipe on his appointment as an Wholetime Director during the year under review in comparison with the remuneration received for his position of Manager during the financial year 2019-20	
	Mr. Sivarama Krishnan, CFO	There has been no increase in the remuneration of CFO during the year under review as compared to the financial year 2019-20	
	Ms. Lakshmi P.S, Company Secretary	There has been an increase of 7.00 % in the remuneration of CS during the year under review as compared to the financial year 2019-20	
3	The percentage Increase/ Decrease in the median remuneration of employees	There has been an increase of 7.00 % in the median remuneration of employees	
4	The number of permanent employees on the rolls of company	3	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not applicable as there are no employees other than Key Managerial Personnel	
6	Affirmation that the remuneration is as per the remuneration policy of the company.	The Company affirms that remuneration paid during the year ended March 31, 2021 is as per the Remuneration policy of the Company	

**For and on behalf of the board of directors**

**Mr. Mahesh Narayanaswamy**  
(DIN :01449684)  
Director

**Mr. Sunil Bhandari**  
(DIN: 00052161)  
Director

Place : Kochi

Date : 13.08.2021

## Independent Auditor Certificate on Compliance of Corporate Governance

To  
The Members  
**STEL HOLDINGS LIMITED**  
24/1624 Bristow Road,  
Willingdon Island, Ernakulam,  
Kerala- 682003

1. We, SEP & Associates, Company Secretaries, Kochi have examined the compliance of conditions of Corporate Governance by **STEL HOLDINGS LIMITED (CIN: L65993KL1990PLC005811)** ('the Company'), for the financial year ended on March 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the "Listing Regulations") as amended from time to time.

### Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above-mentioned Listing Regulations.

### Our Responsibility

3. Pursuant to the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2021.
4. We have examined the compliance of conditions of Corporate Governance by the Company for the period April 1, 2020 to March 31, 2021 as per the Listing Regulations. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance for the period April 01, 2020 to March 31, 2021. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C and D of Schedule V to the Listing Regulations during the financial year ended March 31, 2021.
6. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### Restriction on use

7. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

#### For SEP & Associates

#### Company Secretaries

(ICSI Unique Code: P2019KE075600)

#### CS Puzhankara Sivakumar

Managing Partner

COP: 2210 FCS: 3050

UDIN: F003050C000759795

Date: 10.08.2021

Place: Kochi



**DECLARATION – CODE OF CONDUCT**

I, Abraham Ittype, Wholetime Director, STEL Holdings Limited declare that all the members of the Board of Directors and Senior Management Personnel have, for the year ended March 31, 2021 affirmed compliance with the Code of Conduct for Board of Directors and Senior Management in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For STEL Holdings Limited**

**Abraham Ittype  
Wholetime Director**

Place : Kochi  
Date : 13.08.2021

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**CFO CERTIFICATE**

The Board of Directors  
**STEL HOLDINGS LIMITED**

I certify to the Board that:

- (a) (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 and that to the best of my knowledge and belief:
  - (i) These statements do not contain any any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware.
- (d) I have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For STEL Holdings Limited  
Chief Financial Officer**

Place : Kochi  
Date : 13.08.2021

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members  
**STEL Holdings Limited**  
24/1624, Bristow Road, Willingdon Island  
Ernakulam  
Kerala-682003

We, SEP & Associates, Company Secretaries, Kochi have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **STEL HOLDINGS LIMITED** having **CIN: L65993KL1990PLC005811** having registered office at 24/1624 Bristow Road, Willingdon Island, Ernakulam, Kerala- 682003 (hereinafter referred to as the “Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SUNIL BHANDARI	00052161	18/01/2011
2	UMANG KANORIA	00081108	17/09/2010
3	HEMENDRA CHIMANLAL DALAL	00206232	30/05/2013
4	MAHESH NARAYANASWAMY	01449684	08/02/2021
5	ABRAHAM ITTYIPE	02717344	13/08/2020
6	KAUSHIK ROY	06513489	16/02/2015
7	PREM KAPIL	06921601	11/08/2014
8	SUHANA MURSHED	08572394	29/04/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this, based on our verification. While forming opinion on issuance of this certificate we have also taken into consideration independent legal opinion wherever there was a scope for multiple interpretations. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SEP & Associates,**  
Company Secretaries  
(ICSI Unique Code: P2019KE075600)

**CS Puzhankara Sivakumar**  
Managing Partner  
COP: 2210 FCS: 3050  
**UDIN:** F003050C000759773

Date: 10.08.2021  
Place: Kochi

## INDEPENDENT AUDITORS' REPORT

To the Members of

**STEL Holdings Limited**

**Report on the audit of the standalone financial statements**

### Opinion

We have audited the accompanying standalone financial statements of STEL Holdings Limited ('the Company'), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under sub-section 10 of section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

We draw attention to Note No. 25 of the consolidated financial statements which describes the uncertainties due to the ongoing COVID-19 pandemic and the management's evaluation of the impact on the consolidated financial statements of the Company as at the balance sheet date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of investments in unquoted securities	
Key audit matter	Auditors' response
The Company has investments in equity shares, preference shares and convertible debentures which are unquoted.	Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by management to value investments.

<p>These instruments are measured at fair value with the corresponding fair value change recognized in other comprehensive income. The valuation is performed by the company using a fair value hierarchy as applicable below:</p> <ul style="list-style-type: none"> <li>• Level 1: valuations based on quoted prices (unadjusted) in active markets.</li> <li>• Level 2: valuations based on other than quoted prices included within level 1 that are observable either directly or indirectly.</li> <li>• Level 3: valuations based on unobservable inputs for the asset. The valuation of investments is inherently subjective – most predominantly for the level 2 and level 3 investments since these are valued using inputs other than quoted prices in an active market.</li> </ul> <p>Key inputs used in the valuation of individual level 3 investments are inputs other than quoted prices in an active market. In addition, the company determines whether objective evidence of impairment exists for individual investments.</p> <p>Given the inherent subjectivity in the valuation of level 3 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p>	<p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the Company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures we assessed the accuracy of key inputs used in the valuation.</p> <p>We also evaluated the company’s assessment whether objective evidence of impairment exists for individual investments. Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p>
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**Information other than the standalone financial statements and auditor’s report thereon**

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Director’s report, Management Discussion & Analysis and Business Responsibility Report but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the standalone financial statements**

The Company’s Board of Directors is responsible for the matters stated in sub-section 5 of section 143 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation

of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
  - h. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For J. Krishnan & Associates**  
Chartered Accountants  
Firm Registration No. 001523S

**Nishanth Sebastian Jose**  
Partner  
Membership number: 218068

UDIN: 21218068AAAAANP1790  
Cochin, June 24, 2021

### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED

- i.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - c. As per the information and explanations provided to us, the records examined by us and based on the conveyance deeds provided to us, we report that the title deeds, comprising of the freehold immovable property of the Company are held in the name of the Company as at the balance sheet date.
- ii. The Company does not have any inventory. Therefore, the provisions of clauses 3(ii)(a), 3(ii)(b) and 3(ii)(c) of the said Order are not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained section 189 of the Act. Consequently, the provisions of clauses 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities provided.
- v. The Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- vi. The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Act are not applicable to the Company.
- vii.
  - a. According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no statutory dues on the last day of the financial year outstanding for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- viii. Based on our examination of documents and records, the Company has not taken any loan from a financial institution, a bank, the government or issued debentures and, hence, reporting under paragraph 3 (viii) of the Order is not applicable.
- ix. Based on our audit procedures and on the information given by the management, we report that the Company has not raised any moneys by way of initial or further public offer or any term loans during the year.
- x. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported during the year.
- xi. The managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of Act.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone

financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

- xiv. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For J. Krishnan & Associates**

Chartered Accountants

Firm Registration No. 001523S

**Nishanth Sebastian Jose**

Partner

Membership number: 218068

UDIN: 21218068AAAAANP1790

Cochin, June 24, 2021



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of STEL Holdings Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For J. Krishnan & Associates**

Chartered Accountants

Firm Registration No. 001523S

**Nishanth Sebastian Jose**

Partner

Membership number: 218068

UDIN: 21218068AAAANP1790

Cochin, June 24, 2021

## BALANCE SHEET AS AT MARCH 31, 2021

			(In ₹)		
Particulars	Note	As at March 31, 2021	As at March 31, 2020		
<b>I. Assets</b>					
<b>1 Non-current assets</b>					
a. Property, plant & equipment	3	82,89,312	87,34,584		
b. Financial assets					
i. Investments	4	6,87,11,54,264	4,16,60,14,709		
c. Other non-current assets					
i. Income tax assets (net)	5	40,12,540	3,69,935		
<b>2 Current assets</b>					
a. Financial assets					
i. Cash and cash equivalents	6	92,30,24,156	30,11,12,700		
ii. Loans	7	1,12,89,647	4,35,26,741		
iii. Other financial assets	8	82,81,533	82,81,533		
		<u>7,82,60,51,452</u>	<u>4,52,80,40,203</u>		
<b>II. Equity &amp; liabilities</b>					
<b>1 Equity</b>					
a. Equity share capital	9	18,45,54,050	18,45,54,050		
b. Other equity	10	7,59,36,45,181	4,34,30,17,789		
<b>2 Liabilities</b>					
<b>Non-current liabilities</b>					
a. Deferred tax liabilities (Net)	12	4,74,44,327	-		
<b>Current liabilities</b>					
a. Financial liabilities					
i. Trade payables	13				
(1) total outstanding dues of micro and small enterprises; and		24,199	14,490		
(2) total outstanding dues of creditors other than micro and small enterprises		1,09,712	1,66,239		
b. Other current liabilities	14	2,73,983	2,87,635		
		<u>7,82,60,51,452</u>	<u>4,52,80,40,203</u>		
Summary of significant accounting policies	2				

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

For **J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(In ₹)			
Particulars	Note	For year ended March 31, 2021	For year ended March 31, 2020
<b>Income</b>			
Revenue from operations	15	12,26,72,765	16,25,70,709
<b>Total income (I)</b>		<b>12,26,72,765</b>	<b>16,25,70,709</b>
<b>Expenses</b>			
Employee benefit expenses	16	9,02,567	8,36,815
Depreciation and amortisation expenses	17	4,45,273	4,73,297
Other expenses	18	40,42,500	63,27,632
<b>Total expenses (II)</b>		<b>53,90,340</b>	<b>76,37,744</b>
<b>Profit before tax (I - II)</b>		<b>11,72,82,425</b>	<b>15,49,32,965</b>
<b>Tax expense</b>	19		
Current income tax		2,95,19,724	31,80,589
Income tax relating to previous years		10,80,856	-
Deferred tax		45,983	-
		<u>3,06,46,563</u>	<u>31,80,589</u>
<b>Profit for the year (A)</b>		<b>8,66,35,862</b>	<b>15,17,52,376</b>
<b>Other comprehensive income</b>			
i. Items that will not be reclassified to Profit or Loss			
- Equity instruments through other comprehensive income		3,42,41,39,555	(2,23,51,47,677)
- Current income tax on above		21,27,49,680	-
- Deferred tax on above		4,73,98,344	-
<b>Total other comprehensive income for the period (B)</b>		<b>3,16,39,91,531</b>	<b>(2,23,51,47,677)</b>
<b>Total comprehensive income (A + B)</b>		<b>3,25,06,27,392</b>	<b>(2,08,33,95,301)</b>
<b>Earnings per equity shares of nominal value of Rs. 10/- each</b>	11		
Basic		4.69	8.22
Diluted		4.69	8.22
Significant accounting policies	2		

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

For **J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021

## Statement of cash flow for the year ended March 31, 2021

Particulars	(In ₹)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A Cash flow from operating activities</b>		
Net profit before tax	11,72,82,425	15,49,32,965
Adjustments for :		
Depreciation and amortisation	4,45,273	4,73,297
Operating profit before working capital changes	<b>11,77,27,698</b>	<b>15,54,06,262</b>
(Increase) / decrease in trade and other receivables	3,22,37,094	5,66,67,463
Increase / (decrease) in trade payables	(46,818)	1,59,657
Increase / (decrease) in other current liabilities	(13,652)	(1,61,577)
Cash from operations	<b>14,99,04,322</b>	<b>21,20,71,804</b>
Income tax paid	(24,69,92,867)	(32,35,463)
<b>Cash from operating before exceptional Items</b>	<b>(9,70,88,545)</b>	<b>20,88,36,341</b>
Exceptional Items	-	-
<b>Cash from operating activities</b>	<b>(9,70,88,545)</b>	<b>20,88,36,341</b>
<b>B Net cash from investing activities</b>		
<b>Investment acquired</b>	(25,60,00,000)	(4,54,15,662)
<b>Investment sold</b>	97,50,00,000	-
	<b>71,90,00,000</b>	<b>(4,54,15,662)</b>
<b>C Cash flow from financing activities</b>	-	-
<b>D Total increase (decrease) in cash and cash equivalents during the year (A+B+C)</b>	62,19,11,455	16,34,20,679
Cash and cash equivalents at the beginning of the year	30,11,12,700	13,76,92,020
<b>Cash and cash equivalents at the end of the year</b>	<b>92,30,24,156</b>	<b>30,11,12,700</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks in current accounts	76,58,34,519	3,68,52,040
In deposit accounts	15,71,89,638	26,42,60,660
<b>Total cash and cash equivalents</b>	<b>92,30,24,156</b>	<b>30,11,12,700</b>

**Notes:**

- The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement.
- Figures of previous year have been regrouped / restated / reclassified wherever necessary to suit current year layout.

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

**For J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021

Statement of changes in equity for the year ended March 31, 2021

(In ₹)

**A. Equity share capital**

As at March 31, 2020	18,45,54,050
Changes in equity share capital	-
<b>As at March 31, 2021</b>	<b>18,45,54,050</b>

**B. Other equity**

Particulars	Reserves & surplus				Other comprehensive income	Total
	Capital reserve	General reserve	Securities premium	Retained earnings		
As at March 31, 2020	5,00,000	43,00,000	88,73,79,926	40,60,73,765	3,04,47,64,098	4,34,30,17,789
Total comprehensive income	-	-	-	8,66,35,862	3,16,39,91,531	3,25,06,27,392
<b>As as March 31, 2021</b>	<b>5,00,000</b>	<b>43,00,000</b>	<b>88,73,79,926</b>	<b>49,27,09,627</b>	<b>6,20,87,55,629</b>	<b>7,59,36,45,182</b>

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## Notes to Financial Statements for the year ended March 31, 2021

### Note No: 1

#### Company overview

STEL Holdings Limited ('the Company') is a company registered under the Indian Companies Act, 1956 and is listed on the Bombay Stock Exchange. The principal activity of the Company is to hold investments in group companies. The Company has received confirmation from the Reserve Bank of India that it is not required to obtain registration as a core investment company.

### Note No: 2

#### A statement of significant accounting policies:

##### i. Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and the relevant provisions of the Act. The financial statements are presented in Indian Rupees, which is the Company's functional currency and all values are rounded off to the nearest Rupee, except when otherwise indicated. The Ind AS financial statements have been prepared on a historical cost convention basis, except for certain financial assets and liabilities (including derivatives) that are measured at fair value.

##### ii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the business and the time between acquisition of assets and their realisation into cash and cash equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

##### iii. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Estimates and judgments are reviewed on an ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstance.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

###### a. *Impairment of Property, Plant and Equipment (PPE)*

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

###### b. *Determination of the estimated useful lives*

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes,

manufacturers' warranties and maintenance support.

c. *Current and deferred taxes*

Significant management judgment is required to determine the amount of current and deferred taxes that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

iv. **Property, plant and equipment ('PPE')**

- a. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b. The property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use/disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the sale proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the item is derecognised.
- c. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.
- d. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such tangible assets.

v. **Depreciation**

Depreciation on tangible assets ('PPE') are provided on the written down value method over the useful lives of the assets as prescribed under Part C of Schedule II of the Act.

Components of the main assets that are significant in value and have different useful lives as compared to the main assets are depreciated over their estimated useful lives.

Depreciation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.

vi. **Impairment of assets**

At each balance sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's ('CGU') fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

vii. **Provisions, contingent liabilities and capital commitments.**

- a. Provisions are recognised when the company has a present obligation as a result of a past event for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation.
- b. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.



## viii. Fair value measurement

- a. Considering the facts and circumstances existing on the reporting date, the financial assets and liabilities, in general, are measured to fair value and accounted the amortisation cost and comprehensive income as the case may be.
- b. The fair values of other financial assets and liabilities like cash, short term deposits/ receivables, payables and other liabilities are approximated to their carrying amounts mainly due to their short term maturities and easy liquidity.
- c. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
  - i. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - ii. Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
  - iii. Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

## ix. Financial instruments

### a. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### b. Classification and subsequent measurement

#### *Financial assets*

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
<b>Equity investments at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

*Financial liabilities*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

**c. De-recognition**

*Financial assets*

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

*Financial liabilities*

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

**c. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**x. Revenue recognition**

Dividends from companies are accounted as income in the year in which they are declared. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**xi. Foreign currency transactions**

Foreign currency transactions are accounted at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are restated at the contracted / year end exchange rates. The exchange differences arising on payments / realizations and from the year end restatement referred to above are recognized as income or expense in the profit and loss account. In respect of forward contracts, the difference between the forward rate and exchange rate at the inception of the foreign exchange contract is recognized as income or expense over the period of the contract.

### xii. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

### xiii. **Taxes on income**

- a. Provision for current tax is made based on the tax payable under the Income-tax Act, 1961.
- b. Deferred tax on account of temporary differences and carried forward of unused tax credits and unused tax losses is accounted for, using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date.
- c. Deferred tax assets is recognised and carried forward only to the extent that it is probable that the taxable profit will be available against which the assets will be realised in future.
- d. The carrying amount of deferred tax assets and unrecognised deferred tax assets are reviewed at each balance sheet date.

### xiv. **Cash and cash equivalents.**

Cash and cash equivalents include cash at bank and on hand. The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point of time.

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Notes to financial statements for the year ended March 31, 2021

3 Property, plant & equipment

Particulars	Building	Plant & Equipment	Furniture and fittings	Computers & accessories	Total
<b>Year ended March 31, 2020</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount	1,06,49,602	20,169	1,46,638	61,089	1,08,77,498
Additions / disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,06,49,602</b>	<b>20,169</b>	<b>1,46,638</b>	<b>61,089</b>	<b>1,08,77,498</b>
<b>Accumulated depreciation</b>					
Opening accumulated depreciation	15,18,899	-	91,906	58,811	16,69,616
Depreciation charge during the year	4,56,535	-	15,325	1,437	4,73,297
Additions/ disposals	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>19,75,434</b>	<b>-</b>	<b>1,07,231</b>	<b>60,248</b>	<b>21,42,914</b>
<b>Net carrying amount</b>	<b>86,74,168</b>	<b>20,169</b>	<b>39,407</b>	<b>841</b>	<b>87,34,584</b>
<b>Year ended March 31, 2021</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount	1,06,49,602	20,169	1,46,638	61,089	1,08,77,498
Additions / disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,06,49,602</b>	<b>20,169</b>	<b>1,46,638</b>	<b>61,089</b>	<b>1,08,77,498</b>
<b>Accumulated depreciation</b>					
Opening accumulated depreciation	19,75,434	-	1,07,231	60,248	21,42,914
Depreciation charge during the year	4,33,708	-	11,034	530	4,45,273
Additions / disposals	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>24,09,143</b>	<b>-</b>	<b>1,18,265</b>	<b>60,779</b>	<b>25,88,186</b>
<b>Net carrying amount</b>	<b>82,40,459</b>	<b>20,169</b>	<b>28,373</b>	<b>310</b>	<b>82,89,312</b>

- Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

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# 31<sup>th</sup> Annual Report 2020 - 2021

## 4 Non current investments

Description	Face Value (Rs/-)	As at March 31, 2021		As at March 31, 2020	
		Holdings (Nos)	Amount (Rs.)	Holdings (Nos)	Amount (Rs.)
<b>Long term investments</b>					
<b>Quoted equity shares, fully paid-up</b>					
Ceat Limited	10	14,16,757	2,21,19,11,866	14,16,757	1,12,34,17,463
Phillips Carbon Black Limited	2	4,51,915	8,63,15,765	4,51,915	2,84,02,858
KEC International Limited	2	50,11,891	2,05,66,29,472	50,11,891	92,97,05,781
Spencer's Retail Limited	10	43,96,082	31,03,63,389	14,96,082	11,10,09,284
CESC Limited	10	24,93,470	1,47,86,27,710	24,93,470	1,01,93,30,536
CFL Capital Financial Services Limited	10	6,76,81,206	-	6,76,81,206	-
RPSG Ventures Limited	10	4,98,694	16,79,85,074	4,98,694	5,83,47,198
RPG Life Sciences Limited	8	5,25,369	20,33,70,340	5,25,369	8,92,07,656
Summit Securities Limited	10	69,815	3,75,60,470	69,815	1,91,88,653
SAREGAMA (India) Limited	10	160	2,55,056	160	31,400
			<b>6,55,30,19,142</b>		<b>3,37,86,40,829</b>
<b>Unquoted equity shares, fully paid-up in subsidiaries</b>					
Doon Dooars Plantations Ltd.	10	1,70,000	8,63,000	1,70,000	8,63,000
			<b>8,63,000</b>		<b>8,63,000</b>
<b>Unquoted equity shares, fully paid-up</b>					
Spencer & Company Limited	9	10,57,135	9,44,60,040	10,57,135	8,98,16,032
Cochin International Airport Limited	10	625	23,859	625	22,560
Rainbow Investments Limited	10	271	36,68,288	271	42,353
Noida Power Company Limited	10	-	-	30,00,000	47,75,10,000
			<b>9,81,52,187</b>		<b>56,73,90,945</b>
<b>1% Redeemable cumulative preference shares, fully paid-up</b>					
Easy Fincorp Limited	100	4,75,000	4,75,00,000	4,75,000	4,75,00,000
			<b>4,75,00,000</b>		<b>4,75,00,000</b>
<b>6% Non-cumulative redeemable preference shares, fully paid-up</b>					
Lebnitze Real Estates Private Limited	100	14,14,256	14,14,25,600	14,14,256	14,14,25,600
			<b>14,14,25,600</b>		<b>14,14,25,600</b>
<b>Zero percent interest fully convertible debentures, fully paid-up</b>					
Kutub Properties Private Limited	100	2,93,500	2,94,23,375	2,93,500	2,94,23,375
			<b>2,94,23,375</b>		<b>2,94,23,375</b>
<b>Equity shares in Srilankan companies, fully paid-up (face value - LKR)</b>					
Creasy Plantation Management Limited	10	60,000	3,85,480	60,000	3,85,480
Lankem Plantations Services Limited	10	60,000	3,85,480	60,000	3,85,480
			<b>7,70,960</b>		<b>7,70,960</b>
<b>Total of investments</b>			<b>6,87,11,54,264</b>		<b>4,16,60,14,709</b>

**Note 5: Tax assets**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Prepaid taxes (Net of provisions)	40,12,540	3,69,935
	<u>40,12,540</u>	<u>3,69,935</u>

**Note 6: Cash and cash equivalents**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Balance with banks		
- In current accounts	76,58,34,519	3,68,52,040
- In deposit accounts	15,71,89,638	26,42,60,660
	<u>92,30,24,156</u>	<u>30,11,12,700</u>

**Note 7: Short term loans**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
<i>Unsecured considered good</i>		
Intercompany deposits to Lebnitze Real Estates Pvt. Ltd.	75,00,000	75,00,000
Loans and advances	6,36,579	3,32,18,913
Interest accrued on deposits	31,53,068	28,07,828
	<u>1,12,89,647</u>	<u>4,35,26,741</u>

**Note 8: Other financial assets**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
<i>(Unsecured considered good)</i>		
Receivable against sale of shares	82,81,533	82,81,533
	<u>82,81,533</u>	<u>82,81,533</u>

**Note 9: Equity share capital**

Particulars	(In ₹)	
	No. of shares	Amount
<b>Authorised equity share capital</b>		
As at March 31, 2020	1,85,00,000	18,50,00,000
Increase during the year	-	-
As at March 31, 2021	1,85,00,000	18,50,00,000
<b>Issued, subscribed &amp; paid up equity share capital</b>		
As at March 31, 2020	1,84,55,405	18,45,54,050
Increase during the year	-	-
As at March 31, 2021	1,84,55,405	18,45,54,050

## Terms and rights attached to equity shares

- 1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- 2 The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors do not propose any dividend during the current year. No dividend was declared in the preceding year.
- 3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 4 The following shareholders hold more than 5% of the share capital of the Company:

### List of shareholders holding more than 5 percent

Name	March 31, 2021		March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Limited	44,71,438	24.23%	44,71,438	24.23%
Instant Holdings Limited	16,05,200	8.70%	16,05,200	8.70%
Carniwal Investments Ltd	13,63,580	7.39%	13,63,580	7.39%
	<b>74,40,218</b>	<b>40.32%</b>	<b>74,40,218</b>	<b>40.32%</b>

## Note 10: Other equity

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Reserve &amp; surplus</b>		
Capital reserve		
At the beginning of the accounting period	5,00,000	5,00,000
Additions during the year	-	-
At the end of the accounting period	5,00,000	5,00,000
Securities premium		
At the beginning of the accounting period	88,73,79,926	88,73,79,926
Additions during the year	-	-
At the end of the accounting period	88,73,79,926	88,73,79,926
General reserve		
At the beginning of the accounting period	43,00,000	43,00,000
Additions during the year	-	-
At the end of the accounting period	43,00,000	43,00,000
Retained earnings		
At the beginning of the year	40,60,73,765	25,43,21,390
Additions during the year	8,66,35,862	15,17,52,376
Balance carried forward	49,27,09,627	40,60,73,765

### Other comprehensive income

Equity instruments through other comprehensive income

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
At the beginning of the year	3,04,47,64,098	5,27,99,11,774
Additions during the year	3,16,39,91,531	(2,23,51,47,677)
At the end of the year	<u>6,20,87,55,629</u>	<u>3,04,47,64,098</u>
	<u><b>7,59,36,45,181</b></u>	<u><b>4,34,30,17,789</b></u>

**Nature and purpose of reserve**

- Securities premium is used to record premium received on issues of shares. It is utilised in accordance with provisions of the Act.
- General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.
- Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve and payment of dividend. It is utilised in accordance with the provisions of the Act.
- Other comprehensive income represents fair value recognition and measurement of equity instruments through other comprehensive income.

**Note 11: Earnings per share**

Basic and diluted earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

i. Earnings attributable to equity shareholders (basic and diluted)		(In ₹)	
Particulars	For year ended March 31, 2021	For year ended March 31, 2020	
Profit for the year, attributable to the equity holders	8,66,35,862	15,17,52,376	
	<u><b>8,66,35,862</b></u>	<u><b>15,17,52,376</b></u>	
ii. Weighted average number of equity shares (basic and diluted)			
Particulars	For year ended March 31, 2021	For year ended March 31, 2020	
Opening balance	1,84,55,405	1,84,55,405	
Effect of fresh issue of shares for cash	-	-	
Weighted average number of equity shares for the year	1,84,55,405	1,84,55,405	
Earning Per Share (EPS)	<u><b>4.69</b></u>	<u><b>8.22</b></u>	



## Note 12: Deferred taxes

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax assets</b>	-	-
<b>Deferred tax liabilities</b>		
Fair valuation of investments through Other Comprehensive Income	4,73,98,344	-
Related to fixed assets	45,983	-
	<u>4,74,44,327</u>	<u>-</u>
<b>Deferred tax liability (Net)</b>	<b><u>4,74,44,327</u></b>	<b><u>-</u></b>
Charge / (credit) in profit and loss	45,983	-
Charge / (credit) in Other Comprehensive Income	4,73,98,344	-

## Note 13: Trade payables

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Payable to micro and small enterprises	24,199	14,490
Other trade payables	1,09,712	1,66,239
	<u>1,33,911</u>	<u>1,80,729</u>

## Note 14: Other current liabilities

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Accrued expenses	2,23,824	2,16,000
Related party dues	50,159	71,635
	<u>2,73,983</u>	<u>2,87,635</u>

## Note 15: Revenue from operations

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Interest on fixed deposits	69,19,174	1,20,17,966
Dividend income on long term investments	11,57,53,592	15,05,52,743
	<u>12,26,72,765</u>	<u>16,25,70,709</u>

**Note 16: Employee benefit expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Salaries, wages & allowances	8,84,550	8,22,186
Staff welfare expenses	18,017	14,629
	<b>9,02,567</b>	<b>8,36,815</b>

**Note 17: Depreciation and ammortisation expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Depreciation on property, plant and equipment	4,45,273	4,73,297
	<b>4,45,273</b>	<b>4,73,297</b>

**Note 18: Other expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Professional & consultancy charges	24,53,247	32,62,433
Payments to auditors (Refer note below)	2,89,100	2,89,100
Directors' sitting fee	1,87,000	2,06,000
Travelling & conveyance	38,991	4,93,840
Communication expenses	1,791	2,96,944
Repairs & maintenance		
- Building	6,11,098	8,05,633
- Others	-	5,790
Printing & stationery	92,112	3,09,320
Rates & taxes	14,206	69,531
Advertisement expenses	2,80,802	2,66,703
Miscellaneous expenses	74,154	3,22,337
	<b>40,42,500</b>	<b>63,27,632</b>
Note: Payments to auditors		
<i>In capacity of auditor</i>		
Statutory audit	2,36,000	2,36,000
Limited review	53,100	53,100
	<b>2,89,100</b>	<b>2,89,100</b>

## Note 19: Tax expense

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Tax expense recognised in profit and loss</b>		
Current income tax	2,95,19,724	31,80,589
Income tax relating to previous years	10,80,856	-
Deferred tax	45,983	-
	<b>3,06,46,563</b>	<b>31,80,589</b>
<b>Tax expense recognised in other comprehensive income</b>		
Current income tax	21,27,49,680	-
Deferred tax	4,73,98,344	-
	<b>26,01,48,024</b>	<b>-</b>

## Note 20: Disclosure as per Ind AS 24 – Related party disclosures

### i. Name of related parties

Subsidiary	Doon Dooars Plantations Ltd. ('DDPL')
Key managerial personnel	Abraham Itty Ipe, Manager (till September 10, 2020) and Director (from August 13, 2020) Sivarama Neelakantan Krishnan, CFO Anant Goenka, Director (till December 18, 2020) Umang Kanoria, Director Sunil Bhandari, Director H.C. Dalal, Director Prem Kapil, Director Kaushik Roy, Director Kusum Dadoo, Director (till February 4, 2021) Lakshmi P.S., Company Secretary Mahesh Narayanaswamy, Director (from February 8, 2021)
Enterprises under common control	Eminent Electricity Distribution Ltd

ii. Transactions with related parties

Particulars	March 31, 2021	March 31, 2020
Remuneration to key managerial persons		
- Abraham Itty Ipe, Manager / Director	1,50,000	1,20,000
- Sivarama Neelakantan Krishnan, CFO	2,40,000	2,40,000
- Lakshmi P.S., Company Secretary	4,94,550	4,62,186
Sitting fees of Directors		
- Anant Goenka	5,000	5,000
- Umang Kanoria	33,000	34,000
- Sunil Bhandari	34,000	34,000
- H.C. Dalal	34,000	39,000
- Prem Kapil	32,000	37,000
- Kaushik Roy	20,000	20,000
- Kusum Dadoo	24,000	37,000
- Mahesh Narayanaswamy	5,000	-
Sale of investments		
- Eminent Electricity Distribution Ltd	97,50,00,000	-
Balance due from / (to) as at the year end		
- DDPL	4,17,524	3,33,967

## 21 Financial instruments

### A. Accounting classifications and fair value

As at March 31, 2020

Particulars	Carrying amount			Fair value				
	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Quoted shares	3,37,86,40,829	-	-	3,37,86,40,829	3,37,86,40,829	-	-	3,37,86,40,829
Unquoted equity shares in subsidiary	-	8,63,000	-	8,63,000	-	-	8,63,000	8,63,000
Unquoted equity shares	56,81,61,905	-	-	56,81,61,905	-	-	56,81,61,905	56,81,61,905
Preference shares	-	18,89,25,600	-	18,89,25,600	-	-	18,89,25,600	18,89,25,600
Debentures	-	2,94,23,375	-	2,94,23,375	-	-	2,94,23,375	2,94,23,375
	<u>3,94,68,02,734</u>	<u>21,92,11,975</u>	<u>-</u>	<u>4,16,60,14,709</u>	<u>3,37,86,40,829</u>	<u>-</u>	<u>78,73,73,880</u>	<u>4,16,60,14,709</u>
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	-	30,11,12,700	-	30,11,12,700	-	-	30,11,12,700	30,11,12,700
Loans	-	4,35,26,741	-	4,35,26,741	-	-	4,35,26,741	4,35,26,741
Other financial assets	-	82,81,533	-	82,81,533	-	-	82,81,533	82,81,533
	-	<u>35,29,20,974</u>	-	<u>35,29,20,974</u>	-	-	<u>35,29,20,974</u>	<u>35,29,20,974</u>
<b>Financial Liabilities</b>								
Trade payables	-	-	1,80,729	1,80,729	-	-	1,80,729	1,80,729
	-	-	<u>1,80,729</u>	<u>1,80,729</u>	-	-	<u>1,80,729</u>	<u>1,80,729</u>

As at March 31, 2021

Particulars	Carrying amount			Fair value			Total	
	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2		Level 3
<b>Financial assets measured at fair value</b>								
Investments	6,55,30,19,142	-	-	6,55,30,19,142	6,55,30,19,142	-	-	6,55,30,19,142
Quoted shares	-	8,63,000	-	8,63,000	-	-	8,63,000	8,63,000
Unquoted equity shares	9,89,23,147	-	-	9,89,23,147	-	-	9,89,23,147	9,89,23,147
Preference shares	-	18,89,25,600	-	18,89,25,600	-	-	18,89,25,600	18,89,25,600
Debentures	-	2,94,23,375	-	2,94,23,375	-	-	2,94,23,375	2,94,23,375
	<u>6,65,19,42,289</u>	<u>21,92,11,975</u>	<u>-</u>	<u>6,87,11,54,264</u>	<u>6,55,30,19,142</u>	<u>-</u>	<u>31,81,35,122</u>	<u>6,87,11,54,264</u>
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	-	92,30,24,156	-	92,30,24,156	-	-	92,30,24,156	92,30,24,156
Loans	-	1,12,89,647	-	1,12,89,647	-	-	1,12,89,647	1,12,89,647
Other financial assets	-	82,81,533	-	82,81,533	-	-	82,81,533	82,81,533
	-	<u>94,25,95,337</u>	-	<u>94,25,95,337</u>	-	-	<u>94,25,95,337</u>	<u>94,25,95,337</u>
<b>Financial Liabilities</b>								
Trade payables	-	-	1,33,911	1,33,911	-	-	1,33,911	1,33,911
	-	-	<u>1,33,911</u>	<u>1,33,911</u>	-	-	<u>1,33,911</u>	<u>1,33,911</u>

**Fair value measurement**

“The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:”

- a. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature

## Note 22: Segment reporting

The business of the Company mainly comprises of investments, which has been identified as a single reportable segment for the purpose of Ind AS 108 on 'Operating Segments'.

## Note 23: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	24,199	14,490
(ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

## Note 24: Other disclosures

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Contingent liabilities	Nil	Nil
Derivative instruments and unhedged foreign currency exposure	Nil	Nil
Value of imports calculated on CIF basis	Nil	Nil
Expenditure in foreign currency (accrual basis)	Nil	Nil
Net dividend remitted in foreign exchange	Nil	Nil
Earnings in foreign currency (accrual basis)	Nil	Nil

**Note 25: Impact of the outbreak of COVID-19 on financial statements**

The financial year began amidst a strict lockdown post the emergence of COVID-19 pandemic towards the end of the previous financial year. The national lockdown announced affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating volatility in the stock markets. This had a major impact on the fair value of investments held by the Company. However, as the situation became more clear, the stock market recouped its losses leading to recovery in the fair value of investments as at the year end. A much stronger second wave of COVID-19 infections hit the country subsequent to March 31, 2021 and may result in the future income from investments and the valuations of investee companies being affected. The Company has made a detailed assessment of its liquidity position as at the date of approval of these financial statements for the next one year and of the recoverability and carrying values of its assets including property, plant & equipment, investments and other assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial statements. The Management believes that it has taken into account all the public possible impact of known events and economic forecasts based on internal and external sources of information arising from the COVID-19 pandemic while making such assessment in the preparation of these financial statements.

As per our report of even date attached

**For J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

Cochin

June 24, 2021

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Sunil Bhandari**

Director

DIN : 00052161

**Lakshmi P.S.**

Company Secretary

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Sivarama Krishnan**

Chief Financial Officer



## INDEPENDENT AUDITORS' REPORT

To the Members of

**STEL Holdings Limited**

**Report on the audit of the consolidated financial statements**

### Opinion

We have audited the accompanying consolidated financial statements of STEL Holdings Limited (hereinafter referred to as 'the Holding Company') and its subsidiary, Doon Dooars Plantations Limited ('the Subsidiary'), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements'). In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of the Subsidiary as was audited by other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company as at March 31, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under sub-section 10 of section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

We draw attention to Note No. 25 of the consolidated financial statements which describes the uncertainties due to the ongoing COVID-19 pandemic and the management's evaluation of the impact on the consolidated financial statements of the Company as at the balance sheet date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Valuation of investments in unquoted securities</b>	
<b>Key audit matter</b>	<b>Auditors' response</b>
The Holding Company has investments in equity shares, preference shares and convertible debentures which are unquoted.	Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by management to value investments.

<p>These instruments are measured at fair value with the corresponding fair value change recognized in other comprehensive income. The valuation is performed by the Holding Company using a fair value hierarchy as applicable below:</p> <ul style="list-style-type: none"> <li>• Level 1: valuations based on quoted prices (unadjusted) in active markets.</li> <li>• Level 2: valuations based on other than quoted prices included within level 1 that are observable either directly or indirectly.</li> <li>• Level 3: valuations based on unobservable inputs for the asset. The valuation of investments is inherently subjective – most predominantly for the level 2 and level 3 investments since these are valued using inputs other than quoted prices in an active market.</li> </ul> <p>Key inputs used in the valuation of individual level 3 investments are inputs other than quoted prices in an active market. In addition, the Holding Company determines whether objective evidence of impairment exists for individual investments.</p> <p>Given the inherent subjectivity in the valuation of level 3 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p>	<p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the Holding Company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures we assessed the accuracy of key inputs used in the valuation.</p> <p>We also evaluated the Holding Company’s assessment whether objective evidence of impairment exists for individual investments. Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p>
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**Information other than the consolidated financial statements and auditor’s report thereon**

The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Director’s report, Management Discussion & Analysis and Business Responsibility Report but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on work done / audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the consolidated financial statements**

The Holding Company’s Board of Directors is responsible for the matters stated in sub-section 5 of section 143 of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Holding Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Holding Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Holding Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities for the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited

by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other matters**

We did not audit the financial statements of the Subsidiary in which the share of loss of the Holding Company is Rs. 88,312 for the year ended March 31, 2021, which are considered in preparation of the consolidated financial statements. The consolidated financial statements of the Subsidiary has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on other legal and regulatory requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books and the report of the other auditor.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company

and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company’s internal financial controls over financial reporting; and

- g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There are no pending litigations which would impact the financial position of the Holding Company and the Subsidiary;
  - ii. The Holding Company and the Subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or the Subsidiary during the year ended March 31, 2021.

**For J. Krishnan & Associates**

Chartered Accountants

Firm Registration No. 001523S

**Nishanth Sebastian Jose**

Partner

Membership number: 218068

UDIN: 21218068AAAAANQ8878

Cochin

June 24, 2021

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF STEL HOLDINGS LIMITED****Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of STEL Holdings Limited ('the Holding Company') as of March 31, 2021 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

**Management's responsibility for internal financial controls**

The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting with reference to consolidated financial statements.

**Meaning of internal financial controls over financial reporting with reference to consolidated financial statements**

A Holding company's internal financial control over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Holding Company's internal financial control over financial reporting with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For J. Krishnan & Associates**

Chartered Accountants

Firm Registration No. 001523S

**Nishanth Sebastian Jose**

Partner

Membership number: 218068

UDIN: 21218068AAAANQ8878

Cochin

June 24, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

			(In ₹)		
Particulars	Note	As at March 31, 2021	As at March 31, 2020		
<b>I. Assets</b>					
<b>1 Non-current assets</b>					
a. Property, plant & equipment	3	88,38,674	93,12,861		
b. Financial assets					
i. Investments	4	6,87,02,91,264	4,16,51,51,709		
c. Other non-current assets					
i. Income tax assets (net)	5	40,21,257	3,78,653		
<b>2 Current assets</b>					
a. Financial assets					
i. Cash and cash equivalents	6	92,30,72,624	30,11,61,048		
ii. Loans	7	1,08,72,121	4,31,92,774		
iii. Other financial assets	8	82,81,533	82,81,533		
		<u>7,82,53,77,473</u>	<u>4,52,74,78,578</u>		
<b>II. Equity &amp; liabilities</b>					
<b>1 Equity</b>					
a. Equity share capital	9	18,45,54,050	18,45,54,050		
b. Other equity	10	7,59,29,53,352	4,34,24,14,272		
<b>2 Liabilities</b>					
<b>Non-current liabilities</b>					
a. Deferred tax liabilities (Net)	12	4,74,44,327	-		
<b>Current liabilities</b>					
a. Financial liabilities					
i. Trade payables	13				
(1) total outstanding dues of micro and small enterprises; and		24,199	14,490		
(2) total outstanding dues of creditors other than micro and small enterprises		1,09,712	1,66,239		
b. Other current liabilities	14	2,91,833	3,29,528		
		<u>7,82,53,77,473</u>	<u>4,52,74,78,578</u>		
Summary of significant accounting policies	2				

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

For **J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(In ₹)			
Particulars	Note	For year ended March 31, 2021	For year ended March 31, 2020
<b>Income</b>			
Revenue from operations	15	12,26,72,884	16,25,70,709
<b>Total income (I)</b>		<b>12,26,72,884</b>	<b>16,25,70,709</b>
<b>Expenses</b>			
Employee benefit expenses	16	9,02,567	8,36,815
Depreciation and amortisation expenses	17	4,74,187	4,71,697
Other expenses	18	41,02,017	64,01,453
<b>Total expenses (II)</b>		<b>54,78,771</b>	<b>77,09,965</b>
<b>Profit before tax (I - II)</b>		<b>11,71,94,113</b>	<b>15,48,60,743</b>
<b>Tax expense</b>	19		
Current income tax		2,95,19,724	31,71,873
Income tax relating to previous years		10,80,856	-
Deferred tax		45,983	-
		<u>3,06,46,563</u>	<u>31,71,873</u>
<b>Profit for the year (A)</b>		<b>8,65,47,550</b>	<b>15,16,88,870</b>
<b>Other comprehensive income</b>			
i. Items that will not be reclassified to Profit or Loss			
- Equity instruments through other comprehensive income		3,42,41,39,555	(2,23,51,47,677)
- Current income tax on above		21,27,49,680	-
- Deferred tax on above		4,73,98,344	-
<b>Total other comprehensive income for the period (B)</b>		<b>3,16,39,91,531</b>	<b>(2,23,51,47,677)</b>
<b>Total comprehensive income (A + B)</b>		<b>3,25,05,39,080</b>	<b>(2,08,34,58,806)</b>
<b>Earnings per equity shares of nominal value of Rs. 10/- each</b>	11		
Basic		4.69	8.22
Diluted		4.69	8.22
Significant accounting policies	2		

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

**For J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(In ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A Cash flow from operating activities</b>		
Net profit before tax	11,71,94,113	15,48,60,743
Adjustments for :		
Depreciation and amortisation	4,74,187	4,71,697
Operating profit before working capital changes	<b>11,76,68,300</b>	<b>15,53,32,441</b>
(Increase) / decrease in trade and other receivables	3,23,20,653	5,67,14,612
Increase / (decrease) in trade payables	(46,818)	1,59,657
Increase / (decrease) in other current liabilities	(37,695)	(1,35,024)
Cash from operations	<b>14,99,04,441</b>	<b>21,20,71,685</b>
Income tax paid	(24,69,92,865)	(32,35,463)
<b>Cash from operating before exceptional Items</b>	<b>(9,70,88,425)</b>	<b>20,88,36,222</b>
Exceptional Items	-	-
<b>Cash from operating activities</b>	<b>(9,70,88,425)</b>	<b>20,88,36,222</b>
<b>B Net cash from investing activities</b>		
Investment acquired	(25,60,00,000)	(4,54,15,662)
Investment sold	97,50,00,000	-
	<b>71,90,00,000</b>	<b>(4,54,15,662)</b>
<b>C Cash flow from financing activities</b>	-	-
<b>D Total increase (decrease) in cash and cash equivalents during the year (A+B+C)</b>	62,19,11,575	16,34,20,560
Cash and cash equivalents at the beginning of the year	30,11,61,048	13,77,40,488
<b>Cash and cash equivalents at the end of the year</b>	<b>92,30,72,624</b>	<b>30,11,61,048</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks in current accounts	76,58,82,987	3,69,00,389
In deposit accounts	15,71,89,638	26,42,60,659
<b>Total cash and cash equivalents</b>	<b>92,30,72,624</b>	<b>30,11,61,048</b>

**Notes:**

- The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Cash Flow Statement.
- Figures of previous year have been regrouped / restated / reclassified wherever necessary to suit current year layout.

The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

**For J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of  
**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer

Cochin

June 24, 2021

**Consolidated statement of changes in equity for the year ended March 31, 2021**

(In ₹)

**A. Equity share capital**

As at March 31, 2020	18,45,54,050
Changes in equity share capital	-
<b>As at March 31, 2021</b>	<b>18,45,54,050</b>

**B. Other equity**

Particulars	Reserves & surplus			Other comprehensive income		Total	
	Capital reserve	General reserve	Securities premium	Retained earnings	Capital reserve on consolidation		Equity instruments
As at March 31, 2020	5,00,000	43,00,000	88,73,79,926	40,53,75,013	95,235	3,04,47,64,098	4,34,24,14,272
Total comprehensive income	-	-	-	8,65,47,550	-	3,16,39,91,531	3,25,05,39,080
<b>As as March 31, 2021</b>	<b>5,00,000</b>	<b>43,00,000</b>	<b>88,73,79,926</b>	<b>49,19,22,563</b>	<b>95,235</b>	<b>6,20,87,55,629</b>	<b>7,59,29,53,352</b>

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**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**Note No: 1**

**Company overview**

STEL Holdings Limited (the “Company”) is a company registered under the Indian Companies Act, 1956 and is listed on the Bombay Stock Exchange. The principal activity of the Company is to hold investments in group companies. The Company has received confirmation from the Reserve Bank of India that it is not required to obtain registration as a core investment company.

**Note No: 2**

**A Statement of significant accounting policies:**

**i. Basis of preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and the relevant provisions of the Act.

The financial statements are presented in Indian Rupees, which is the Company’s functional currency and all values are rounded off to the nearest Rupee, except when otherwise indicated.

The Ind AS financial statements have been prepared on a historical cost convention basis, except for certain financial assets and liabilities (including derivatives) that are measured at fair value.

**ii. Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- a) has power over the investee;
- b) has the ability to use its power to affect its return;
- c) is exposed, or has rights, to variable returns from its involvement with the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary company has been considered in the preparation of the consolidated financial statements:

<b>Name of the entity</b>	<b>Relationship</b>	<b>Ownership held by</b>	<b>% of Holding and voting power held directly</b>
Doon Dooars Plantations Ltd.	Subsidiary	STEL Holdings Ltd	100%

In the opinion of the management, the investment in CFL Capital Financial Services Ltd. (‘CFL’) does not fall under the definition of associate company within the meaning of Sec. 2(6) of the Act as the Company does not

have significant influence over CFL such as representation on the Board of Directors of CFL, participation in policy making processes, transactions between the Company and CFL, interchange of managerial personnel, provision of essential technical information, etc. As a result, the Company is not treating CFL as an associate for the purpose of consolidating its financial statements.

### iii. **Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the business and the time between acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

### iv. **Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Estimates and judgments are reviewed on an ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstance.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### a. *Impairment of Property, Plant and Equipment (PPE)*

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

#### b. *Determination of the estimated useful lives*

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

#### c. *Current and deferred taxes*

Significant management judgment is required to determine the amount of current and deferred taxes that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### v. **Property, plant and equipment ('PPE')**

a. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

b. The property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use/disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the sale proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the item is derecognised.

c. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

- d. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such tangible assets.

**vi. Depreciation**

Depreciation on tangible asset is provided on the written down value method over the useful lives of the assets as prescribed under Part C of Schedule II of the Act.

Components of the main assets that are significant in value and have different useful lives as compared to the main assets are depreciated over their estimated useful lives.

Depreciation is charged on addition / deletion on pro- rata monthly basis including the month of addition / deletion.

**vii. Impairment of assets**

At each balance sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**viii. Provisions, contingent liabilities and capital commitments.**

- a. Provisions are recognised when the company has a present obligation as a result of a past event for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation.
- b. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

**ix. Fair value measurement**

- a. Considering the facts and circumstances existing on the reporting date, the financial assets and liabilities, in general, are measured to fair value and accounted the amortisation cost and comprehensive income as the case may be.
- b. The fair values of other financial assets and liabilities like cash, short term deposits/ receivables, payables and other liabilities are approximated to their carrying amounts mainly due to their short term maturities and easy liquidity.
- c. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
  - i. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - ii. Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
  - iii. Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

x. **Financial instruments**

a. **Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. **Classification and subsequent measurement**

*Financial assets*

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
<b>Equity investments at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

*Financial liabilities*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

c. **De-recognition**

*Financial assets*

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

*Financial liabilities*

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

d. **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

xi. **Revenue recognition**

Dividends from companies are accounted as income in the year in which they are declared. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

xii. **Foreign currency transactions**

Foreign currency transactions are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the contracted / year end exchange rates. The exchange differences arising on payments / realizations and from the year end restatement referred to above are recognized as income or expense in the profit and loss account. In respect of forward contracts, the difference between the forward rate and exchange rate at the inception of the foreign exchange contract is recognized as income or expense over the period of the contract.

xiii. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.



xiv. **Taxes on income**

- a. Provision for current tax is made based on the tax payable under the Income-tax Act, 1961.
- b. Deferred tax on account of temporary differences and carried forward of unused tax credits and unused tax losses is accounted for, using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date.
- c. Deferred tax assets is recognised and carried forward only to the extent that it is probable that the taxable profit will be available against which the assets will be realised in future.
- d. The carrying amount of deferred tax assets and unrecognised deferred tax assets are reviewed at each balance sheet date.

xv. **Cash and cash equivalents.**

Cash and cash equivalents include cash at bank and on hand. The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point of time.

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Notes to consolidated financial statements for the year ended March 31, 2021

3 Property, plant & equipment

Particulars	Building	Plant & Equipment	Furniture and fittings	Computers & accessories	Total
<b>Year ended March 31, 2019</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount	1,13,59,577	20,169	1,46,638	61,089	1,15,87,473
Additions / disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,13,59,577</b>	<b>20,169</b>	<b>1,46,638</b>	<b>61,089</b>	<b>1,15,87,473</b>
<b>Accumulated depreciation</b>					
Opening accumulated depreciation	16,52,198	-	91,906	58,811	18,02,915
Depreciation charge during the year	4,54,935	-	15,325	1,437	4,71,697
Additions/ disposals	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>21,07,133</b>	<b>-</b>	<b>1,07,231</b>	<b>60,248</b>	<b>22,74,612</b>
<b>Net carrying amount</b>	<b>92,52,444</b>	<b>20,169</b>	<b>39,407</b>	<b>841</b>	<b>93,12,861</b>
<b>Year ended March 31, 2021</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount	1,13,59,577	20,169	1,46,638	61,089	1,15,87,473
Additions / disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,13,59,577</b>	<b>20,169</b>	<b>1,46,638</b>	<b>61,089</b>	<b>1,15,87,473</b>
<b>Accumulated depreciation</b>					
Opening accumulated depreciation	21,07,133	-	1,07,231	60,248	22,74,612
Depreciation charge during the year	4,62,622	-	11,034	530	4,74,187
Additions / disposals	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>25,69,755</b>	<b>-</b>	<b>1,18,265</b>	<b>60,779</b>	<b>27,48,799</b>
<b>Net carrying amount</b>	<b>87,89,822</b>	<b>20,169</b>	<b>28,373</b>	<b>310</b>	<b>88,38,674</b>

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

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### 4 Non current investments

Description	Face Value (Rs/-)	As at March 31, 2021		As at March 31, 2020	
		Holdings (Nos)	Amount	Holdings (Nos)	Amount
<b>Long term investments</b>					
<b>Quoted equity shares, fully paid-up</b>					
Ceat Limited	10	14,16,757	2,21,19,11,866	14,16,757	1,12,34,17,463
Phillips Carbon Black Limited	2	4,51,915	8,63,15,765	4,51,915	2,84,02,858
KEC International Limited	2	50,11,891	2,05,66,29,472	50,11,891	92,97,05,781
Spencer's Retail Limited	10	43,96,082	31,03,63,389	14,96,082	11,10,09,284
CESC Limited	10	24,93,470	1,47,86,27,710	24,93,470	1,01,93,30,536
CFL Capital Financial Services Limited	10	6,76,81,206	-	6,76,81,206	-
RPSG Ventures Limited	10	4,98,694	16,79,85,074	4,98,694	5,83,47,198
RPG Life Sciences Limited	8	5,25,369	20,33,70,340	5,25,369	8,92,07,656
Summit Securities Limited	10	69,815	3,75,60,470	69,815	1,91,88,653
SAREGAMA (India) Limited	10	160	2,55,056	160	31,400
			<b>6,55,30,19,142</b>		<b>3,37,86,40,829</b>
<b>Unquoted equity shares, fully paid-up</b>					
Spencer & Company Limited					
Cochin International Airport Limited	9	10,57,135	9,44,60,040	10,57,135	8,98,16,032
Rainbow Investments Limited	10	625	23,859	625	22,560
Noida Power Company Limited	10	271	36,68,288	271	42,353
Subhrashi Vinimay Private Ltd.	10	-	-	30,00,000	47,75,10,000
			<b>9,81,52,187</b>		<b>56,73,90,945</b>
<b>1% Redeemable cumulative preference shares, fully paid-up</b>					
Easy Fincorp Limited	100	4,75,000	4,75,00,000	4,75,000	4,75,00,000
			<b>4,75,00,000</b>		<b>4,75,00,000</b>
<b>6% Non-cumulative redeemable preference shares, fully paid-up</b>					
Lebnitze Real Estates Private Limited	100	14,14,256	14,14,25,600	14,14,256	14,14,25,600
			<b>14,14,25,600</b>		<b>14,14,25,600</b>
<b>Zero percent interest fully convertible debentures, fully paid-up</b>					
Kutub Properties Private Limited	100	2,93,500	2,94,23,375	2,93,500	2,94,23,375
			<b>2,94,23,375</b>		<b>2,94,23,375</b>
<b>Equity shares in Srilankan companies, fully paid-up (face value - LKR)</b>					
Creasy Plantation Management Limited	10	60,000	3,85,480	60,000	3,85,480
Lankem Plantations Services Limited	10	60,000	3,85,480	60,000	3,85,480
			<b>7,70,960</b>		<b>7,70,960</b>
<b>Total of investments</b>			<b>6,87,02,91,264</b>		<b>4,16,51,51,709</b>

**Note 5: Tax assets**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Prepaid taxes (Net of provisions)	40,21,257	3,78,653
	<u>40,21,257</u>	<u>3,78,653</u>

**Note 6: Cash and cash equivalents**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Balance with banks		
- In current accounts	76,58,82,987	3,69,00,389
- In deposit accounts	15,71,89,638	26,42,60,659
	<u>92,30,72,624</u>	<u>30,11,61,048</u>

**Note 7: Short term loans**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
<i>Unsecured considered good</i>		
Intercompany deposits to Lebnitze Real Estates Pvt. Ltd.	75,00,000	75,00,000
Loans and advances	2,19,055	3,28,84,946
Interest accrued on deposits	31,53,066	28,07,828
	<u>1,08,72,121</u>	<u>4,31,92,774</u>

**Note 8: Other financial assets**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
<i>(Unsecured considered good)</i>		
Receivable against sale of shares	82,81,533	82,81,533
	<u>82,81,533</u>	<u>82,81,533</u>

**Note 9: Equity share capital**

Particulars	(In ₹)	
	No. of shares	Amount
<b>Authorised equity share capital</b>		
As at March 31, 2020	1,85,00,000	18,50,00,000
Increase during the year	-	-
As at March 31, 2021	1,85,00,000	18,50,00,000
<b>Issued, subscribed &amp; paid up equity share capital</b>		
As at March 31, 2020	1,84,55,405	18,45,54,050
Increase during the year	-	-
As at March 31, 2021	1,84,55,405	18,45,54,050

## Terms and rights attached to equity shares

- 1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- 2 The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors do not propose any dividend during the current year. No dividend was declared in the preceding year.
- 3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 4 The following shareholders hold more than 5% of the share capital of the Company:

### List of shareholders holding more than 5 percent

Name	March 31, 2021		March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Limited	44,71,438	24.23%	44,71,438	24.23%
Instant Holdings Limited	16,05,200	8.70%	16,05,200	8.70%
Carniwal Investments Ltd	13,63,580	7.39%	13,63,580	7.39%
	<b>74,40,218</b>	<b>40.32%</b>	<b>74,40,218</b>	<b>40.32%</b>

## Note 10: Other equity

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Reserve &amp; surplus</b>		
Capital reserve		
At the beginning of the accounting period	5,00,000	5,00,000
Additions during the year	-	-
At the end of the accounting period	5,00,000	5,00,000
Capital reserve on consolidation		
At the beginning of the year	95,235	95,235
Additions during the year	-	-
At the end of the year	95,235	95,235
Securities premium		
At the beginning of the accounting period	88,73,79,926	88,73,79,926
Additions during the year	-	-
At the end of the accounting period	88,73,79,926	88,73,79,926
General reserve		
At the beginning of the accounting period	43,00,000	43,00,000
Additions during the year	-	-
At the end of the accounting period	43,00,000	43,00,000

## STEL HOLDINGS LIMITED

	(In ₹)	
Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings		
At the beginning of the year	40,53,75,013	25,36,86,143
Additions during the year	8,65,47,550	15,16,88,870
Balance carried forward	49,19,22,563	40,53,75,013
<b>Other comprehensive income</b>		
Equity instruments through other comprehensive income		
At the beginning of the year	3,04,47,64,098	5,27,99,11,774
Additions during the year	3,16,39,91,531	(2,23,51,47,677)
At the end of the year	6,20,87,55,629	3,04,47,64,098
	<b>7,59,29,53,352</b>	<b>4,34,24,14,272</b>

### Nature and purpose of reserve

- a. Securities premium is used to record premium received on issues of shares. It is utilised in accordance with provisions of the Act.
- b. General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.
- c. Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve and payment of dividend. It is utilised in accordance with the provisions of the Act.
- d. Other comprehensive income represents fair value recognition and measurement of equity instruments through other comprehensive income.

### Note 11: Earnings per share

Basic and diluted earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	(In ₹)	
Particulars	For year ended March 31, 2021	For year ended March 31, 2020
<b>i. Earnings attributable to equity shareholders (basic and diluted)</b>		
Profit for the year, attributable to the equity holders	8,65,47,550	15,16,88,870
	<b>8,65,47,550</b>	<b>15,16,88,870</b>
<b>ii. Weighted average number of equity shares (basic and diluted)</b>		
Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Opening balance	1,84,55,405	1,84,55,405
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares for the year	1,84,55,405	1,84,55,405
Earning Per Share (EPS)	<b>4.69</b>	<b>8.22</b>

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### Note 12: Deferred taxes

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax assets</b>	-	-
<b>Deferred tax liabilities</b>		
Fair valuation of investments through Other Comprehensive Income	4,73,98,344	-
Related to fixed assets	45,983	-
	<u>4,74,44,327</u>	<u>-</u>
<b>Deferred tax liability (Net)</b>	<b><u>4,74,44,327</u></b>	<b><u>-</u></b>
Charge / (credit) in profit and loss	45,983	-
Charge / (credit) in Other Comprehensive Income	4,73,98,344	-

### Note 13: Trade payables

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Payable to micro and small enterprises	24,199	14,490
Other trade payables	1,09,712	1,66,239
	<u>1,33,911</u>	<u>1,80,729</u>

### Note 14: Other current liabilities

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Accrued expenses	2,40,549	2,16,000
Statutory dues payable	51,284	71,638
Related party dues	-	41,890
	<u>2,91,833</u>	<u>3,29,528</u>

### Note 15: Revenue from operations

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Interest on fixed deposits	69,19,293	1,20,17,966
Dividend income on long term investments	11,57,53,592	15,05,52,743
	<u>12,26,72,884</u>	<u>16,25,70,709</u>

**Note 16: Employee benefit expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Salaries, wages & allowances	8,84,550	8,22,186
Staff welfare expenses	18,017	14,629
	<b>9,02,567</b>	<b>8,36,815</b>

**Note 17: Depreciation and ammortisation expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Depreciation on property, plant and equipment	4,74,187	4,71,697
	<b>4,74,187</b>	<b>4,71,697</b>

**Note 18: Other expenses**

Particulars	(In ₹)	
	As at	As at
	March 31, 2021	March 31, 2020
Professional & consultancy charges	24,64,569	32,93,493
Payments to auditors (Refer note below)	3,37,295	3,30,990
Directors' sitting fee	1,87,000	2,06,000
Travelling & conveyance	38,991	4,93,840
Communication expenses	1,791	2,96,944
Repairs & maintenance		
- Building	6,11,098	8,05,633
- Others	-	6,540
Printing & stationery	92,112	3,09,320
Rates & taxes	14,206	69,650
Advertisement expenses	2,80,802	2,66,703
Miscellaneous expenses	74,154	3,22,339
	<b>41,02,017</b>	<b>64,01,453</b>
Note: Payments to auditors		
<i>In capacity of auditor</i>		
Statutory audit	2,53,850	2,47,800
Limited review	79,875	79,650
<i>In other capacity</i>		
Taxation services	3,570	3,540
	<b>3,37,295</b>	<b>3,30,990</b>



## Note 19: Tax expense

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
<b>Tax expense recognised in profit and loss</b>		
Current income tax	2,95,19,724	31,71,873
Income tax relating to previous years	10,80,856	-
Deferred tax	45,983	-
	<b>3,06,46,563</b>	<b>31,71,873.00</b>
<b>Tax expense recognised in other comprehensive income</b>		
Current income tax	21,27,49,680	-
Deferred tax	4,73,98,344	-
	<b>26,01,48,024</b>	<b>-</b>

## Note 20: Disclosure as per Ind AS 24 – Related party disclosures

### i. Name of related parties

Key managerial personnel	Abraham Itty Ipe, Manager (till September 10, 2020) and Director (from August 13, 2020)
	Sivarama Neelakantan Krishnan, CFO
	Anant Goenka, Director (till December 18, 2020)
	Umang Kanoria, Director
	Sunil Bhandari, Director
	H.C. Dalal, Director
	Prem Kapil, Director
	Kaushik Roy, Director
	Kusum Dadoo, Director (till February 4, 2021)
	Lakshmi P.S., Company Secretary
	Mahesh Narayanaswamy, Director (from February 8, 2021)
Enterprises under common control	Eminent Electricity Distribution Ltd

### ii. Transactions with related parties

Particulars	March 31, 2021	March 31, 2020
Remuneration to key managerial persons		
- Abraham Itty Ipe, Manager / Director	1,50,000	1,20,000
- Sivarama Neelakantan Krishnan, CFO	2,40,000	2,40,000
- Lakshmi P.S., Company Secretary	4,94,550	4,62,186
Sitting fees of Directors		
- Anant Goenka	5,000	5,000
- Umang Kanoria	33,000	34,000
- Sunil Bhandari	34,000	34,000

- H.C. Dalal	34,000	39,000
- Prem Kapil	32,000	37,000
- Kaushik Roy	20,000	20,000
- Kusum Dadoo	24,000	37,000
- Mahesh Narayanaswamy	5,000	-
Sale of investments		
- Eminent Electricity Distribution Ltd	97,50,00,000	-

**21 Financial instruments**

**A. Accounting classifications and fair value**

**As at March 31, 2020**

Particulars	Carrying amount				Fair value			Total
	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>								
Investments								
Quoted shares	3,37,86,40,829	-	-	3,37,86,40,829	3,37,86,40,829	-	-	3,37,86,40,829
Unquoted equity shares	56,81,61,905	-	-	56,81,61,905	-	-	56,81,61,905	56,81,61,905
Preference shares	- 18,89,25,600	-	-	18,89,25,600	-	-	18,89,25,600	18,89,25,600
Debentures	- 2,94,23,375	-	-	2,94,23,375	-	-	2,94,23,375	2,94,23,375
	<u>3,94,68,02,734</u>	<u>21,83,48,975</u>	<u>-</u>	<u>4,16,51,51,709</u>	<u>3,37,86,40,829</u>	<u>-</u>	<u>78,65,10,880</u>	<u>4,16,51,51,709</u>
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	- 30,11,61,048	-	-	30,11,12,700	-	-	30,11,12,700	30,11,12,700
Loans	- 4,31,92,774	-	-	4,35,26,741	-	-	4,35,26,741	4,35,26,741
Other financial assets	- 82,81,533	-	-	82,81,533	-	-	82,81,533	82,81,533
	<u>- 35,26,35,355</u>	<u>-</u>	<u>-</u>	<u>35,29,20,974</u>	<u>-</u>	<u>-</u>	<u>35,29,20,974</u>	<u>35,29,20,974</u>
<b>Financial Liabilities</b>								
Trade payables	-	- 1,80,729	-	1,80,729	-	-	1,80,729	1,80,729
	<u>-</u>	<u>- 1,80,729</u>	<u>-</u>	<u>1,80,729</u>	<u>-</u>	<u>-</u>	<u>1,80,729</u>	<u>1,80,729</u>

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As at March 31, 2021

Particulars	Carrying amount			Fair value			Total	
	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2		Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Quoted shares	6,55,30,19,142	-	-	6,55,30,19,142	6,55,30,19,142	-	-	6,55,30,19,142
Unquoted equity shares	9,89,23,147	-	-	9,89,23,147	-	-	9,89,23,147	9,89,23,147
Preference shares	-	18,89,25,600	-	18,89,25,600	-	-	18,89,25,600	18,89,25,600
Debentures	-	2,94,23,375	-	2,94,23,375	-	-	2,94,23,375	2,94,23,375
	<u>6,65,19,42,289</u>	<u>21,83,48,975</u>	<u>-</u>	<u>6,87,02,91,264</u>	<u>6,55,30,19,142</u>	<u>-</u>	<u>31,72,72,122</u>	<u>6,87,02,91,264</u>
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	-	92,30,72,624	-	92,30,72,624	-	-	92,30,72,624	92,30,72,624
Loans	-	1,08,72,121	-	1,08,72,121	-	-	1,08,72,121	1,08,72,121
Other financial assets	-	82,81,533	-	82,81,533	-	-	82,81,533	82,81,533
	-	<u>94,22,26,278</u>	-	<u>94,22,26,278</u>	-	-	<u>94,22,26,278</u>	<u>94,22,26,278</u>
<b>Financial Liabilities</b>								
Trade payables	-	-	1,33,911	1,33,911	-	-	1,33,911	1,33,911
	-	-	<u>1,33,911</u>	<u>1,33,911</u>	-	-	<u>1,33,911</u>	<u>1,33,911</u>

### Fair value measurement

“The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:”

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature

**Note 22: Segment reporting**

The business of the Company mainly comprises of investments, which has been identified as a single reportable segment for the purpose of Ind AS 108 on 'Operating Segments'.

**Note 23: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	24,199	14,490
(ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

**Note 24: Other disclosures**

Particulars	(In ₹)	
	As at March 31, 2021	As at March 31, 2020
Contingent liabilities	Nil	Nil
Derivative instruments and unhedged foreign currency exposure	Nil	Nil
Value of imports calculated on CIF basis	Nil	Nil
Expenditure in foreign currency (accrual basis)	Nil	Nil
Net dividend remitted in foreign exchange	Nil	Nil
Earnings in foreign currency (accrual basis)	Nil	Nil

## Note 25: Impact of the outbreak of COVID-19 on financial statements

The financial year began amidst a strict lockdown post the emergence of COVID-19 pandemic towards the end of the previous financial year. The national lockdown announced affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating volatility in the stock markets. This had a major impact on the fair value of investments held by the Company. However, as the situation became more clear, the stock market recouped its losses leading to recovery in the fair value of investments as at the year end. A much stronger second wave of COVID-19 infections hit the country subsequent to March 31, 2021 and may result in the future income from investments and the valuations of investee companies being affected. The Company has made a detailed assessment of its liquidity position as at the date of approval of these financial statements for the next one year and of the recoverability and carrying values of its assets including property, plant & equipment, investments and other assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial statements. The Management believes that it has taken into account all the public possible impact of known events and economic forecasts based on internal and external sources of information arising from the COVID-19 pandemic while making such assessment in the preparation of these financial statements.

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The notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date attached

**For J. Krishnan & Associates**

Chartered Accountants

Firm Regn. No. 001523S

For and on behalf of the Board of Directors of

**STEL Holdings Limited**

**Nishanth Sebastian Jose**

Partner

Membership No. 218068

**Sunil Bhandari**

Director

DIN : 00052161

**Mahesh Narayanaswamy**

Director

DIN: 01449684

Cochin

June 24, 2021

**Lakshmi P.S.**

Company Secretary

**Sivarama Krishnan**

Chief Financial Officer